

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF VERMONT

In Re Subpoena to Daniel McLean in

Case No. 2:18-cv-201-wks

Jacob R. Kent, *et al.*, v. R.L. Vallee, Inc. *et al.*,
Case No. 617-6-15 Cncv

**DECLARATION OF TRISTRAM J. COFFIN IN SUPPORT OF R.L. VALLEE'S
MEMORANDUM OF LAW IN OPPOSITION TO DANIEL McLEAN'S MOTION TO
QUASH**

I, Tristram J. Coffin, declare as follows:

1. I am a Director in the Burlington, Vermont office of Downs Rachlin Martin PLLC. I am a member in good standing of the bar of this Court and the bar of the State of Vermont.

2. I am counsel to R.L. Vallee, Inc. ("R.L. Vallee") in the above-captioned matter and in the civil action styled *Kent, et al. v. R.L. Vallee, et al.*, Case No. 617-6-15 Cncv, which is pending in the Chittenden Superior Court (the "Civil Action"). I make this Declaration in support of R.L. Vallee's Memorandum of Law in Opposition to Daniel McLean's Motion to Quash (ECF 7). This declaration is based on my personal knowledge, except to the extent noted below.

3. Attached hereto as **Exhibit A** is a true and correct copy of the subpoena to Daniel McLean in the Civil Action.

4. Attached hereto as **Exhibit B** is a true and correct copy of a July 2, 2012 letter from Senator Sanders to former Chairman of the Federal Trade Commission Jon D. Liebowitz and former Attorney General Eric Holder, produced by the Federal Trade Commission in response to a Freedom of Information Act request.

5. Attached hereto as **Exhibit C** is a true and correct copy of a July 6, 2012 letter from Chairman Leibowitz to Senator Sanders, produced by the Federal Trade Commission in response to a Freedom of Information Act request.

6. Attached hereto as **Exhibit D** is a true and correct copy of a press release from Senator Sanders' office entitled "Burlington Gas Prices Exceed FTC Projections," *available at* <https://www.sanders.senate.gov/newsroom/press-releases/burlington-gas-prices-exceed-ftc-projections> (last visited Dec. 13, 2018).

7. Attached hereto as **Exhibit E** is a true and correct copy of a July 6, 2012 email produced by the Federal Trade Commission in response to a Freedom of Information Act request.

8. Attached hereto as **Exhibit F** is a true and correct copy of a July 6, 2012 *Burlington Free Press* article entitled "Out of Whack."

9. Attached hereto as **Exhibit G** is a true and correct copy of an April 30, 2008 letter from Senator Sanders, Senator Patrick Leahy (D-Vt.), and U.S. Representative Peter Welch (D-Vt.) produced by the Federal Trade Commission in response to a Freedom of Information Act request.

10. Attached hereto as **Exhibit H** is a true and correct copy of a July 9, 2009 letter from Chairman Leibowitz to Senator Sanders, Senator Leahy, and Rep. Welch (D-Vt.) produced by the Federal Trade Commission in response to a Freedom of Information Act request.

11. Attached hereto as **Exhibit I** is a copy of July 27-28 email correspondence produced by the Federal Trade Commission in response to a Freedom of Information Act request.

12. Attached hereto as **Exhibit J** is a true and correct copy of a January 7, 2013 vpr.net story entitled “FTC Says It Won’t Investigate Why Vt. Gas Prices Are High.”

13. Attached hereto as **Exhibit K** is a true and correct copy of an August 6, 2012 press release from Senator Sanders’ office entitled “Statement by Sen. Bernard Sanders on Gas Prices,” *available at*
<https://www.sanders.senate.gov/newsroom/press-releases/statement-by-sen-bernard-sanders-on-gas-prices> (last visited Dec. 13, 2018).

14. Attached hereto as **Exhibit L** is a true and correct copy of a January 23, 2013 vtdigger story entitled “Gas pricing expert says Burlington is 15th highest market in nation,” *available at*
<https://vtdigger.org/2013/01/23/gas-pricing-expert-says-burlington-is-15th-highest-market-in-nation/> (last visited Dec. 13, 2018).

15. Attached hereto as **Exhibit M** is a true and correct copy of September 17, 2014 email correspondence between Daniel McLean and Assistant Attorney General Ryan Kriger, produced in the Civil Action.

16. Attached hereto as **Exhibit N** is a September 17, 2014 *Seven Days* article entitled “Sanders Nemesis to Air TV Ad Bashing Wife’s ‘Golden Parachute,’” *available at*
<https://www.sevendaysvt.com/OffMessage/archives/2014/09/17/sanders-nemesis-to-air-tv-ad-bashing-wifes-golden-parachute> (last visited Dec. 13, 2018).

17. Attached hereto as **Exhibit O** are excerpts of the November 29, 2018 deposition transcript of Assistant Attorney General Ryan Kriger in the Civil Action.

18. Attached hereto as **Exhibit P** is a January 22, 2015 email from Daniel McLean to Assistant Attorney General Ryan Kriger, et al., produced in response to a Public Records Act request to the Vermont Attorney General's Office. Personal information has been redacted.

19. Attached hereto as **Exhibit Q** are handwritten notes of Assistant Attorney General Ryan Kriger, produced in the Civil Action by the Attorney General's Office and authenticated by Mr. Kriger at his November 29, 2018 deposition in the Civil Action.

20. Attached hereto as **Exhibit R** is a true and correct copy of October 6, 20, and 22, 2014 email correspondence between Daniel McLean and Assistant Attorney General Ryan Kriger, produced in the Civil Action.

21. Attached hereto as **Exhibit S** is a true and correct copy of a January 28, 2016 *Seven Days* article entitled "Did Sorrell Take Official Action to Punish Opponent's Donor?" *available at* <https://www.sevendaysvt.com/OffMessage/archives/2016/01/28/did-sorrell-take-official-action-to-punish-opponents-donor> (last visited Dec. 13, 2018).

22. Attached hereto as **Exhibit T** is a true and correct copy of November 26, 2014 correspondence from Joshua L. Simonds, Esq. to Senator Sanders, produced in the Civil Action.

23. Attached hereto as **Exhibit U** are true and correct copies of December 19, 2014; December 22, 2014; and January 6-7, 2015 email correspondence between Daniel McLean and Joshua L. Simonds, Esq., produced in the Civil Action.

24. Attached hereto as **Exhibit V** are true and correct copies of February 27, 2015; March 10, 2015; and April 4, 2015 email correspondence between Daniel McLean and Ora N. Nwabueze, Esq. and Michael L. Murphy, Esq., produced in the Civil Action. Personal information has been redacted.

25. Attached hereto as **Exhibit W** is a true and correct copy of a April 6, 2015 email from Daniel McLean to Ora N. Nwabueze, Esq. and Michael L. Murphy, Esq., produced in the Civil Action. Personal information has been redacted.

26. Attached hereto as **Exhibit X** is a true and correct copy of a June 22, 2015 email from Christopher Pearson, produced in response to a Public Records Act request, and a screenshot of tweets published on Christopher Pearson's Twitter account on June 22, 2015. Senator Pearson authenticated his tweets at his November 29, 2018 deposition in the Civil Action. Personal information has been redacted.

27. Attached hereto as **Exhibit Y** is a true and correct copy of an Endorsed Order of this Court dated December 14, 2000 in *Ghassan J. Maarawi v. United States Congress*, 2:00-cv-319-wks.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Dated at Burlington, Vermont, this 13th day of December, 2018.

DOWNS RACHLIN MARTIN PLLC

By: /s/ Tristram J. Coffin

Tristram J. Coffin
199 Main Street, P.O. Box 190
Burlington, VT 05402-0190
Telephone: 802-863-2375
Fax: 802-862-7512
tcoffin@drm.com

ATTORNEYS FOR R.L. VALLEE, INC.

CERTIFICATE OF SERVICE

I hereby certify that on December 13, 2018, I filed the foregoing Declaration and supporting exhibits with the clerk of the court via ECF and that a true and accurate copy will be served on counsel via the Court's ECF system.

/s/ Tristram J. Coffin
Tristram J. Coffin

Exhibit A

Form 501

SUBPOENA STATE OF VERMONT

SUPERIOR COURT
CHITTENDEN

Unit

Docket No. 617-6-15 Cncv

Plaintiff JACOB R. KENT, ET AL.

Defendant R.L. VALLEE, ET AL.

v.

Type of Case: (Check one):

☐ Criminal ☒ Civil ☐ Small Claims ☐ Domestic Relations ☐ Juvenile ☐ Inquest ☐ Grand Jury ☐ Probate

To: Name and Address of Person **David Mclean, Office of Senator Bernard Sanders, 1 Church St., Burlington, VT 05401**

You are directed to appear at the: Superior Court:

☒ Civil Division ☐ Criminal Division ☐ Family Division ☐ Probate Division

☐ other:

located at:

Street Address DOWNS RACHLIN MARTIN 199 MAIN STREET P.O. BOX 190	Town/City BURLINGTON, VT 05402	Date MONDAY, Dec. 3, 2018	Time 9:00 a.m. p.m.
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for a ☐ trial ☐ hearing ☒ deposition☒ to attend and give testimony

☒ to produce and permit inspection, copying, testing, or sampling of designated electronically stored information, books, documents, or tangible things in your possession, custody or control. SEE ATTACHED "SCHEDULE A".

☐ to permit inspection of the premises

☐ other: _____

Signature: Clerk - Attorney - Notary Public - Magistrate

Date 11/9/18

This subpoena was requested by: ☐ Plaintiff ☐ State's Attorney ☐ Defendant ☐ _____

If you have any questions, please contact

Person Requesting Subpoena

TRISTRAM COFFIN, DOWNS RACHLIN MARTIN

at

Telephone Number

802-863-2375

Please bring a copy of this subpoena to the hearing.

See Important Notice on the Other Side of this Subpoena.

RETURN OF SERVICE

NOTICE: A Subpoena may be served by any person who is not a party and is not less than 18 years of age.

On Date of Service I served this subpoena upon Name

by: _____

at: Location: City/Town Unit

Miles	\$
Reading	\$
Copies	\$
Total	\$

Signature Title

Copy 1 - Court

Copy 2 - Witness

Copy 3 - Officer/Server

V.R.C.P. 45. SUBPOENA

(c) Protection of Persons Subject to Subpoenas.

* * * *

(1) A party or an attorney responsible for the issuance and service of a subpoena shall take reasonable steps to avoid imposing undue burden or expense on a person subject to that subpoena. The court for which the subpoena was issued shall enforce this duty and impose upon the party or attorney in breach of this duty an appropriate sanction, which may include, but is not limited to, lost earnings and a reasonable attorney's fee.

(2)(A) A person commanded to produce and permit inspection, copying, testing, or sampling of designated electronically stored information, books, papers, documents or tangible things, or inspection of premises need not appear in person at the place of production or inspection unless commanded to appear for deposition, hearing or trial.

(B) Subject to paragraph (d)(2) of this rule, a person commanded to produce and permit inspection, copying, testing, or sampling may, within 14 days after service of the subpoena or before the time specified for compliance if such time is less than 14 days after service, serve upon the party or attorney designated in the subpoena written objection to producing any or all of the designated materials or inspection of the premises –or to producing electronically stored information in the form or forms requested. If objection is made, the party serving the subpoena shall not be entitled to the requested production or to inspect, copy, test, or sample the materials or inspect the premises except pursuant to an order of the court for which the subpoena was issued. If objection has been made, the party serving the subpoena may, upon notice to the person commanded to produce, move at any time for an order to compel the production, inspection, copying, testing, or sampling. Such an order to compel shall protect any person who is not a party or an officer of a party from significant expense resulting from the inspection, copying, testing, or sampling commanded.

(3) (A) On timely motion, the court for which a subpoena was issued shall quash or modify the subpoena if it

- (i) fails to allow reasonable time for compliance;
- (ii) requires a resident of this state to travel to attend a deposition more than 50 miles one way unless the court otherwise orders; requires a nonresident of this state to travel to attend a deposition at a place more than 50 miles from the place of service unless another convenient place is fixed by order of court, or
- (iii) requires disclosure of privileged or other protected matter and no exception or waiver applies, or
- (iv) subjects a person to undue burden.

(B) If a subpoena

- (i) requires disclosure of a trade secret or other confidential research, development, or commercial information, or
- (ii) requires disclosure of an unretained expert's opinion or information not describing specific events or occurrences in dispute and resulting from the expert's study made not at the request of any party, or
- (iii) requires a person who is not a party or an officer of a party to incur substantial expense to travel more than 50 miles one way to attend trial, the court may, to protect a person subject to or affected by the subpoena, quash or modify the subpoena or, if the party in whose behalf the subpoena is issued shows a substantial need for the testimony or material that cannot be otherwise met without undue hardship and assures that the person to whom the subpoena is addressed will be reasonably compensated, the court may order appearance or production only upon specified conditions.

(d) Duties in Responding to Subpoena.

(1)(A) A person responding to a subpoena to produce documents shall produce them as they are kept in the usual course of business or shall organize and label them to correspond with the categories in the demand.

(B) If a subpoena does not specify the form or forms for producing electronically stored information, a person responding to a subpoena must produce the information in a form or forms in which the person ordinarily maintains it or in a form or forms that are reasonably usable.

(C) A person responding to a subpoena need not produce the same electronically stored information in more than one form.

(D) A person responding to a subpoena need not provide discovery of electronically stored information from sources that the party identifies as not reasonably accessible because of undue burden or cost. On motion to compel discovery or for a protective order, the person from whom discovery is sought must show that the information sought is not reasonably accessible because of undue burden or cost. If that showing is made, the court may nonetheless order discovery from such sources if the requesting party shows good cause, considering the limitations of Rule 26(b)(1). The court may specify conditions for the discovery.

(2)(A) When information subject to a subpoena is withheld on a claim that it is privileged or subject to protection as trial preparation materials, the claim shall be made expressly and shall be supported by a description of the nature of the documents, communications, or things not produced that is sufficient to enable the demanding party to contest the claim.

(B) If information is produced in response to a subpoena that is subject to a claim of privilege or of protection as trial-preparation material, the person making the claim may notify any party that received the information of the claim and the basis for it. After being notified, a party must promptly return, sequester, or destroy the specified information and any copies it has and may not use or disclose the information until the claim is resolved. A receiving party may promptly present the information to the court under seal for a determination of the claim. If the receiving party disclosed the information before being notified, it must take reasonable steps to retrieve it. The person who produced the information must preserve the information until the claim is resolved.

**Schedule A
To Subpoena to Daniel McLean
(Documents to be Produced)**

For the time period January 1, 2009 to September 22, 2015, please produce the following documents in your ownership or control, whether or not the documents are in your custody or the custody of another person or entity.

Documents include emails and enclosures, text messages, and notes of telephone conversations as well as hard copy documents. Emails and texts include both governmental accounts and personal accounts.

Documents:

1. All documents and communications with, concerning or regarding any of the following:
R.L. Vallee, Maplefields, and/or Rodolphe ("Skip") Vallee;
competition or lack of competition in the gasoline business;
collusion or cooperation in the gasoline business;
investigations or possible or planned investigations concerning any of the foregoing;
legislative hearings or possible or planned hearings concerning any of the foregoing;
meetings concerning any of the foregoing;
the Federal Trade Commission (FTC) regarding gas prices in Vermont;
the United States Department of Justice (DOJ) regarding gas prices in Vermont;
the Bailey & Glasser LLP law firm or any of its attorneys;
the Burlington Law Practice or Josh Simonds, Esq.;
Costco Wholesale Corporation (Costco);
lawsuits or possible or planned lawsuits concerning any of the foregoing;
Jacob R. Kent, Anne B. Vera, Thomas R. Mahar, Dawn M. Mahar, David C. Carter, or
Barbara Carter;

2. All documents and communications about press conferences, press releases or public statements concerning gasoline prices or pricing or competition or collusion or cooperation.
3. All documents and communications with legislators or elected or public officials concerning gasoline prices or pricing, gasoline competition or collusion or cooperation, Rodolphe ("Skip") Vallee, R.L. Vallee, or Maplefields, Champlain Oil Company, Tony Cairns, S.B. Collins Co., Bruce Jolley, Wesco, Champlain Farms or David Simendinger concerning any of the foregoing.
4. All documents and communications about lawsuits or planned or possible lawsuits about any aspect of gasoline prices or pricing or competition or collusion or cooperation.
5. All documents and communications with lawyers or law firms about gasoline prices or pricing or competition or collusion or cooperation, or about lawsuits or potential lawsuits concerning any of the foregoing, including but not limited to any electronic logs or electronic or hard copy notes indicating oral communications with any lawyers or employees of these firms.
6. All documents and communications with or about the law firm Bailey & Glasser LLP or any of its lawyers, including but not limited to any electronic logs or electronic or hard copy notes indicating oral communications with any lawyers or employees of this firm.
7. All documents and communications with or about the law firm The Burlington Law Practice, PLLC or any of its lawyers, including Josh Simonds, Esq. including but not limited to any electronic logs or electronic or hard copy notes indicating oral communications with any lawyers or employees of this firm.
8. All documents and communication with or about Jacob R. Kent, Anne B. Vera, Thomas R. Mahar, Dawn M. Mahar, David C. Carter, or Barbara Carter.
9. All documents and communications with or about potential plaintiffs in any lawsuit, concerning any of the topics in Request No. 1, above.
10. All documents and communications with or about William Sorrell, concerning any of the topics in Request No. 1, above.
11. All documents and communications with or about Dean Corren, concerning any of the topics in Request No. 1, above.
12. All documents and communications with or about Ryan Kriger, concerning any of the topics in Request No. 1, above.
13. All documents and communications with or about Wendy Morgan, concerning any of the topics in Request No. 1, above.

14. All documents and communications with or about Jill Abrams, concerning any of the topics in Request No. 1, above.
15. All documents and communications with or about William Griffin, concerning any of the topics in Request No. 1, above.
16. All documents and communications with anyone in the Vermont Attorney General's office, concerning any of the topics in Request No. 1, above.
17. All documents and communications with or about Richard Mazza, concerning any of the topics in Request No. 1, above.
18. All documents and communications with or about R.L. Vallee, Inc., S.B. Collins, Inc., Champlain Oil Co., Inc. or Wesco, Inc.
19. All documents and communications about gasoline prices or pricing or completion or collusion or cooperation, with federal government employees or officials, including but not limited to any United States Senator or any member of their staff, and including, but not limited to, the Federal Trade Commission (FTC).
20. All documents and communications with United States Senator Bernard Sanders's office, including but not limited to Senator Bernard Sanders, Jane Sanders, Philip Fiermonte, Daniel McLean, Warren Gunnels, and/or Michael Briggs, concerning any of the topics in Request No. 1, above.
21. All documents and communications regarding the possible 2012 or 2018 United States Senate candidacy of Rodolphe ("Skip") Vallee or James Douglas with anyone in United States Senator Bernard Sanders' office, Jane Sanders, or any campaign staff or representatives.
22. All documents and communications with members of any media, concerning any of the topics in Request No. 1, above.
23. All documents and communications with Costco Wholesale Corporation (Costco) or its employees, agents, lawyers, or representatives.
24. All documents and communications regarding Costco Wholesale Corporation (Costco) with the Vermont District Environmental Commission or any commission representatives, or other members of agencies or bodies involved in permitting or regulating Costco gas stations or gas pumps.
25. All documents and communications related to a meeting or meetings with Senator Bernard Sanders' Office, and/or Bailey & Glasser, and/or the Vermont Attorney General's Office, on or about September 23-25, 2014.

26. All documents and communications related to a meeting or meetings with Bailey & Glasser and/or the Vermont Attorney General's Office on or about August 6, 2015.
27. All documents and communications related to a meeting or meetings with anyone representing the United States Department of Justice (DOJ), at any time.
28. All documents and communications related to any other meetings involving Bailey & Glasser, Senator Sanders' Office, Joshua Diamond, the Vermont Attorney General's Office, the FTC, and/or the United States Department of Justice (DOJ), individually or collectively.
29. All social media postings and/or messages posted or sent or forwarded or received by you, including, but not limited to, Facebook postings/messages and Twitter postings/messages ("tweets"), concerning any of the topics in Request No. 1, above, including any such material that has been deleted.
30. Any and all copies of Complaints, draft Complaints, and/or marked-up Complaints and/or other pleadings or court filings, including, but not limited to, any discussion of or participation in the allegation that the Defendants had "secret meetings."

18732175.1

Exhibit B

BERNARD SANDERS
SENATOR

COMMITTEES
BUDGET
ENERGY AND NATURAL RESOURCES
ENVIRONMENT AND PUBLIC WORKS
HEALTH, EDUCATION, LABOR, AND
PENSIONS
VETERANS' AFFAIRS
JOINT ECONOMIC

United States Senate

WASHINGTON, DC 20510-4604

327 SENATE DRAGON DRIVE BUILDING
WASHINGTON, DC 20010
(202) 224-5141

1000 PENNSYLVANIA AVENUE, 2ND FLOOR
WASHINGTON, DC 20540
(202) 862-0057
(800) 233-0834

www.sanders.senate.gov

July 2, 2012

The Honorable Eric Holder
U.S. Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue, NW, Room 1145
Washington, DC 20530

The Honorable Jon Leibowitz
Chairman
Federal Trade Commission
600 Pennsylvania Avenue, NW, Room 404
Washington, DC 20580

Dear Attorney General Holder and FTC Chairman Leibowitz:

I am writing to urge the Oil and Gas Price Fraud Working Group and the Federal Trade Commission to conduct an investigation to determine why gasoline prices in the greater Burlington, Vermont area (Chittenden, Grand Isle and Franklin Counties) are substantially higher than in other parts of the state, New England, and similar areas throughout the country.

The high cost of gasoline is causing severe economic pain to Vermonters, who often have to drive long distances to work. I am sure you will agree with me that we must be vigilant to protect consumers during these difficult economic times from gas prices which may be artificially high.

In my view, it does not make sense for Vermonters in Burlington, St. Albans, and other areas in northwest Vermont to pay 25 cents more for a gallon of gas than they would pay if they lived 35 miles away. This is particularly strange as, to the best of my understanding, the only large gasoline storage and distribution facility in Vermont is located in Burlington.

In Middlebury, Vermont – just 35 miles south of Burlington – prices were as low as \$3.35 a gallon today, and most filling stations sold fuel for no more than \$3.40 a gallon, according to VermontGasPrices.com. Meanwhile, today, a gallon of regular unleaded in St. Albans cost at least \$3.63 a gallon. In Burlington, Vermont, gas costs are often higher.

While gasoline prices have recently been going down, average prices nationally and throughout New England have dropped substantially more than in the greater Burlington



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area. For example, during the month ending June 25, prices in the Burlington area fell just 15 cents a gallon – from \$3.84 to \$3.69 a gallon for regular unleaded. That is the lowest price reduction in any of the 15 metro regions in New England, according to AAA data. The average price drop in these New England metro areas was 25.9 cents per gallon.

There is also a price discrepancy with some of Vermont's neighboring states. This morning, for example, Vermonters paid an average of \$3.55 a gallon for regular unleaded. Meanwhile, motorists in New Hampshire paid \$3.36 a gallon, on average. The modest 7 cent tax differential between the two states does not explain this 19 cent price discrepancy, which is even greater – 27 cents a gallon – when compared with greater Burlington, where regular unleaded sold for an average \$3.63 a gallon this morning according to AAA data.

The average price of regular unleaded sold in Vermont has been selling for more than the national average since April 2012, while gasoline in New Hampshire gas has been selling for less than the U.S. average since May 2012.

I request that the Oil and Gas Price Fraud Working Group and the Federal Trade Commission conduct a formal investigation to explore the cause of these unusually high prices in Chittenden, Grand Isle, and Franklin counties, and what actions can be taken to ensure that gas prices in all areas of Vermont are free from anti-competitive practices and market manipulation.

I understand that there are legitimate reasons as to why gas prices vary from region to region. The lack of local competition; long distances from refineries, ports and terminals; the level of state and local taxes; supply disruptions; and differing operating costs are understandable reasons as to why gas prices vary. Further, I do not know whether it is relevant that four companies -- Champlain Oil Co., Inc. (28 stations), S.B. Collins, Inc. (18 stations), Simon's (12 stations), R.L. Vallee (9 stations) – control a combined 67 of 115 filling station in Chittenden County, which equals 58 percent of all gas stations in the state's most heavily populated county.

It is clear, however, that there is no apparent explanation as to why gasoline prices are so much higher in the greater Burlington area than in other parts of Vermont and New England. As part of your investigation, please explain to me why you believe these price discrepancies exist, what we can do about it and how we can make gas prices more transparent to the average consumer.

Thank you for your attention to this important issue. I look forward to hearing from you shortly.

Sincerely,



Bernard Sanders
United States Senator

Exhibit C



THE CHAIRMAN

FEDERAL TRADE COMMISSION

WASHINGTON, D.C. 20580

July 6, 2012

The Honorable Bernard Sanders
United States Senate
Washington, D.C. 20510

Dear Senator Sanders:

I am pleased to respond to the letter of July 2, 2012, that you sent to Attorney General Holder and me concerning gasoline prices in the greater Burlington, Vermont, area. As your letter emphasizes – and as we discussed in our phone call on Monday – high gasoline prices are a source of serious concern for you and your constituents. We at the FTC are also very sensitive to the pain that high gasoline prices can cause for consumers, and we appreciate your steadfast vigilance on behalf of gasoline consumers in Vermont.

You observe that gasoline prices in the greater Burlington area “are substantially higher than in other parts of the state, New England, and similar areas throughout the country.” You report that prices in Burlington and elsewhere in northwest Vermont are around 25 cents per gallon higher than in Middlebury, and that prices have fallen more slowly in Burlington than in other New England locales. You also note that statewide average gasoline prices are higher in Vermont than in New Hampshire – a price gap not explained by differences in state gasoline taxes. In addition, you ask how Burlington prices could be high relative to other areas when that city is the site of the only large gasoline storage and distribution facility in Vermont.

The FTC is constantly on alert to ensure that consumers in Vermont and throughout the United States are not subject to any conduct in the petroleum industry that violates the laws and rules that we enforce. The energy sector is one of our primary areas of law enforcement, and we work to detect and prevent any activities in the sector that may diminish competition and injure consumers. Indeed, that is the principal thrust of our ongoing investigation into whether illegal individual or cooperative conduct may have affected last year’s crude oil and refined product pricing.

In that investigation – one of the latest chapters in the Commission’s long history of closely scrutinizing and vigorously challenging mergers and nonmerger conduct in the petroleum industry – we have been using our compulsory process authority to investigate whether certain oil producers, refiners, transporters, marketers, physical or financial traders, or others have, among other things, engaged in anticompetitive or manipulative practices. This comprehensive

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July 6, 2012
The Honorable Bernard Sanders
Page 2

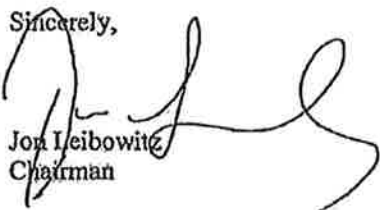
investigation focuses on a number of aspects of the industry, including utilization and maintenance decisions, inventory holding decisions, product supply decisions, product margins and profitability, and capital planning. We seek to determine whether any market participants may have violated the antitrust laws or the Commission's Prohibition of Energy Market Manipulation Rule, 16 C.F.R. Part 317.

In addition, the FTC staff monitors gasoline prices in Burlington, as it does in numerous areas throughout the United States. Our ten-years-running Gasoline and Diesel Price Monitoring Project tracks daily retail prices for gasoline and diesel fuel in approximately 360 cities across the nation and daily wholesale prices for those products in 20 major urban areas. The Price Monitoring Project shows that gasoline prices in northwest Vermont have been within their predicted range since January 2010 but have exceeded predicted levels during the last four weeks.¹ We have conferred with Vermont Attorney General William H. Sorrell regarding the situation. Staff is continuing to track gasoline pricing patterns in northwest Vermont and nearby areas.

The Commission shares your deep concern over the economic hardship consumers face when gasoline and other energy prices are high. Energy prices have an enormous effect on the entire United States economy and the well-being of all consumers; indeed, the bedrock nature of the energy sector is a major impetus behind the Commission's vigorous law enforcement role in this industry. Accordingly, the FTC does not hesitate to proceed against conduct that it has reason to believe is illegal. While FTC staff is hopeful that Burlington retail gasoline prices will soon be back in their predicted range, I can assure you that we exercise our statutory authorities to the fullest extent possible when we have indications of unlawful conduct.

Thank you again for bringing your concerns to my attention, and please let me know if we can be of further service in this or any other matter.

Sincerely,


Jon Leibowitz
Chairman

Enclosure

cc: The Honorable Eric H. Holder, Jr.
Attorney General of the United States

¹ Following a phone call with your staff on Tuesday, FTC staff provided your office with the enclosed graph of prices for regular grade gasoline in Burlington since January 2010.

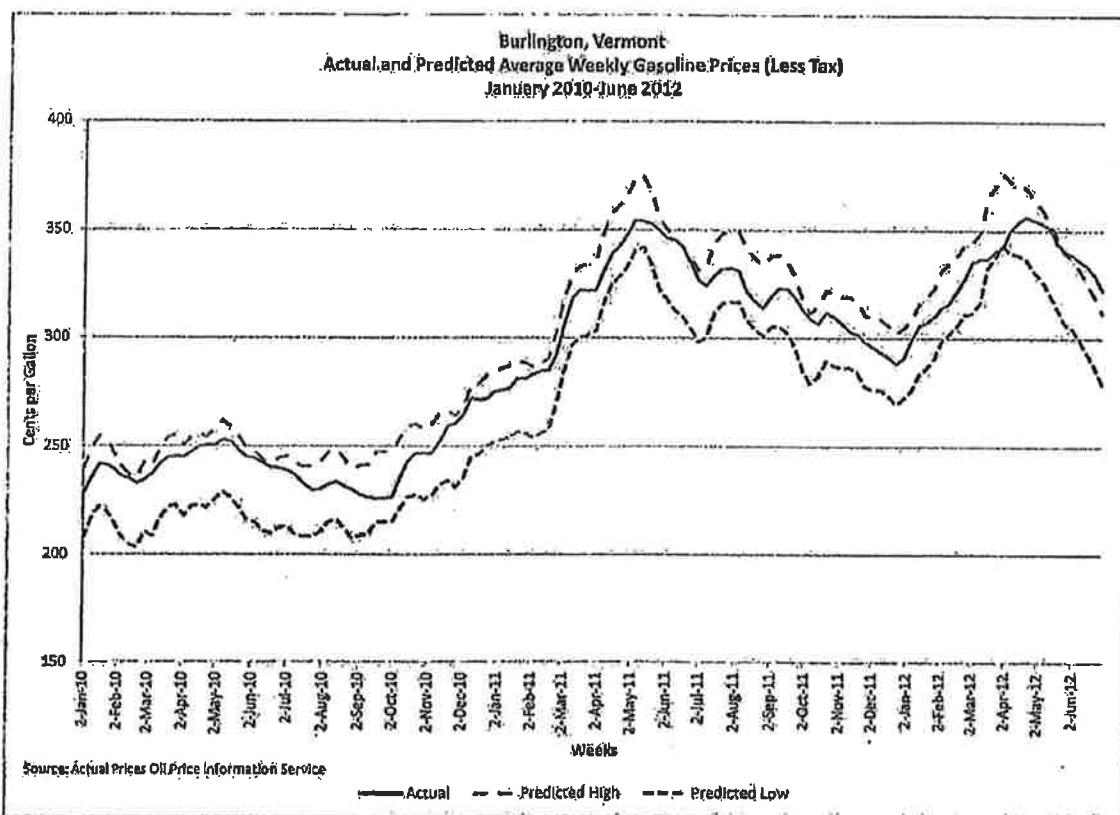


Exhibit D

Burlington Gas Prices Exceed FTC Projections

Thursday, July 5, 2012

BURLINGTON, Vt., July 5 - Gasoline prices in Burlington in June were as much as a dime to 43 cents greater than a Federal Trade Commission computer model projected they should be, according to commission data turned over to U.S. Sen. Bernie Sanders (I-Vt.).

While Vermont motorists already pay among the country's highest prices to fill their tanks, the June price spike in Burlington exceeded what a computer model used by government economists said was the absolute highest price stations should be charging.

While prices have dipped by several cents after Sanders on Monday made public his call for a federal investigation into unusually high gas prices, the trade commission data detail a month-long trend of unusually high prices in Burlington.

The detailed data was turned over to Sanders after he called for a probe by the trade commission and the Oil and Gas Price Fraud Working at the U.S. Department of Justice.

As of the first weekend in June, Burlington prices averaged \$3.84 a gallon, about two cents more than the computer model's predicted high and 34 cents above the predicted low, according to the FTC data. By June 30, the average price in Burlington was \$3.68 a gallon, a dime more than the predicted high of \$3.58 and 44 cents above the predicted low.

Burlington is one of 360 metropolitan areas around the nation where the FTC's Bureau of Economics tracks gas prices and compares them to a projection of what high and low prices should be. The monitoring project tracks wholesale and retail prices of gasoline "to identify possible anticompetitive activities and determine whether a law enforcement investigation would be warranted," according to the commission. The formula used by the monitoring project considers in supply and demand, geography and other factors.

In Vermont today, the average price of a gallon of unleaded regular is \$3.53, the tenth highest in the lower 48 states, according to AAA. In the Burlington area, defined as Chittenden, Franklin and Grand Isle Counties, this morning, AAA said the average price was \$3.60. Prices were higher in downtown Burlington.

Sanders pointed to evidence that in recent days Burlington gas prices were 15 cents to 29 cents greater than prices charged by gas stations only about 35 miles away in other Vermont towns.

"Prices here in the Burlington area and other parts of Vermont are much higher than they should be," Sanders said. "So far, no one has given me a particularly good explanation." One factor may be that just four companies own 58 percent of the stations in the Burlington market.

"People who own service stations have a right to make a profit," Sanders said. "They don't have a right to rip people off," he added.

Related Issues

- Vermont
- Economy
- Gas Prices

Exhibit E

Hill, Jonathan

From: Broyles, Phillip L.
Sent: Friday, July 06, 2012 10:09 AM
To: Seesel, John H.; Silvia, Louis; Dawson, Rachel Miller; Vandecar, Kim; Richman, Peter; Taylor, Christopher T.; Feinstein, Richard; Armstrong, Norman; Lehner, Mary; Galvan, Patricia V.; Watts, Marianne R.
Subject: RE: Bernie Sanders

For those wondering how Sanders would use the chart and data we provided, I give you http://www.burlingtonfreepress.com/article/20120705/NEWS02/307050031/GAS-PRICES-IN-BURLINGTON?odyssey=tab%7Ctopnews%7Ctext%7CFRONTPAGE&nclink_check=1

From: Seesel, John H.
Sent: Thursday, July 05, 2012 6:26 PM
To: Silvia, Louis; Dawson, Rachel Miller; Broyles, Phillip L.; Vandecar, Kim; Richman, Peter; Taylor, Christopher T.; Feinstein, Richard; Armstrong, Norman; Lehner, Mary; Galvan, Patricia V.; Watts, Marianne R.
Subject: Re: Bernie Sanders

(b)(5)

From: Silvia, Louis
Sent: Thursday, July 05, 2012 06:21 PM
To: Seesel, John H.; Dawson, Rachel Miller; Broyles, Phillip L.; Vandecar, Kim; Richman, Peter; Taylor, Christopher T.; Feinstein, Richard; Armstrong, Norman; Lehner, Mary; Galvan, Patricia V.; Watts, Marianne R.
Subject: Re: Bernie Sanders

(b)(5), Duplicate

Exhibit F

FRIDAY, JULY 6, 2012

Burlington Free Press

A GANNETT COMPANY

INSIDE

Nazan Bozkurt and her son Efe Cimrin sell Turkish food at the Burlington Farmers Market on June 30. ELLIOT DEBRUYN/FREE PRESS



A GUIDE TO THE FARMERS MARKET **SAVORVORE » 1C**

UVM GETS BASKETBALL RECRUIT **SPORTS » 12A**

'It was like a pool'



MATT RYAN
Free Press Staff Writer

When Dan Verwey arrived at the COTS Day Station on Thursday morning, the water outside had yet to recede.

"You could do laps out there. It was like a pool," recalled Verwey, a maintenance technician with the Champlain Housing Trust.

While Verwey and an electrician inspected the building's wiring, COTS Executive Director Rita Markely surveyed the damage. Boxes of paperwork, donated clothes, tables, chairs, carpets, computers — everything beneath the 16-inch water mark had been destroyed.

"Every CPU was on the floor, every single one," Mar-

See COTS, Page 8A

STORM STORIES

» Crews work to restore power, BA
» Burlington tweeted updates, 18
» Blame it on a 'bow echo,' 78

Rita Markely, the executive director of the Committee on Temporary Shelter (COTS), views storm damage Thursday at the Day Station in Burlington. GLENNA RUSSELL/FREE PRESS

Out of whack

Feds: Burlington gas prices rise above maximum forecasts for local market



SAM HEMINGWAY
Free Press Staff Writer

Gas prices in and around Burlington are exceeding the maximum price projected by a Federal Trade Commission computer model for the region, Sen. Bernie Sanders, I-Vt., said.

Sanders said the average price locally of \$3.68 per gallon on June 30 was 10 cents above the maximum figure, and 43 cents above the minimum figure, predicted by the FTC computer model.

"I'm not surprised," Sanders said Thursday about the FTC's finding. "There's not a whole

See GAS, Page 9A

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COVER STORY

Gas

Continued from Page 1A

lot to debate. The gas distributors are taking advantage of a non-competitive market here."

The FTC data were made public by Sanders three days after he called for a federal investigation into why Burlington-area gas prices are notably higher than elsewhere in the state and are among the highest in New England.

The FTC work on the new information was conducted as part of the commission's normal activities and was not done in response to Sanders' request for the investigation, the senator said.

Sanders said the fact that four distribution outfits own 58 percent of the gas stations in the Burlington area might be a reason for the higher prices.

Executives with several regional gas distribution businesses, in interviews with the Burlington Free Press, sharply disputed Sanders' claims.

They said prices in the fuel market can fluctuate dramatically, and they are sensitive to what their competitors are doing when they post gasoline prices at their stations.

"It's normal competition," said Bruce Jolley of S.B. Collins Inc. of St. Albans. "You watch what everybody else is doing."

Asked why Burlington-area prices earlier this week were 35 cents a gallon higher than in Middlebury, Jolley said Middlebury had "different competitive pressures." Asked why Burlington's prices were the among the highest in New England, he said, "I don't have an answer for that."

Skip Vallee, an executive with R.L. Vallee Inc. of St. Albans, said Sanders was

looking at too small a "snapshot" of gas prices. Over a longer timespan, Vallee said, a study of prices would show that sometimes Burlington gas prices were below those in other parts of the state.

"I think that's a very risky snapshot in time," Vallee said.

He said the wholesale price for gasoline has jumped 20 cents a gallon in the past three days, but the increase was being absorbed — at least temporarily — by the distributors and the gas stations.

"We are very competitive in whatever the market we're in," Vallee said. "It depends on where the market forces are at the time."

Sanders said research by his staff has found that a Vallee-owned Maplefields outlet in Middlebury was charging \$3.40 a gallon for unleaded gas earlier this week while a Maplefields store in South Burlington was charging \$3.63 for the same gallon of gas.

"Nothing he's saying suggests to me anything other than the fact that we have a non-competitive-type market in northwestern Vermont," Sanders said. "They are looking at each other's prices and agreeing to keep prices high."

Joe and Charles Handy, co-owners of Simoit's Inc. of Burlington, said they buy gas for their chain of filling stations from distributors including S.B. Collins and Champlain Oil Inc. of South Burlington, and they have little flexibility when it comes to setting gas prices at their facilities.

"The little guys don't set the prices, the big guys do," Charles Handy said. "We're at the bottom of the well. The ones at the top of the well control all the prices. Them and the speculators on Wall Street."

Charles Cairns, president of Champlain Oil Co., was unavailable for comment Thursday.

Vallee said Sanders should support the



Oil storage containers at Global Partners in Burlington are seen from Flynn Avenue near Oakledge Park on Thursday. EMILY MCCANN/AMERICAN FREE PRESS

Keystone pipeline project and the plan to refine tar sands oil from Canada for use as gasoline and other petroleum products if he is truly interested in saving his constituents' money at the gas pump.

"That would save Vermonters 30 cents a gallon," Vallee said.

Sanders said Vermonters would be far better served by having the country re-

quire that cars meet a 54-miles-per-gallon standard by 2025 which would also address the problem of global warming.

Contact Sam Hemingway at 660-1850 or shemingway@burlingtonfreepress.com. Follow him on Twitter at [www.twitter.com/SamuelHemingway](https://twitter.com/SamuelHemingway).

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Exhibit G

Apr-30-2008 09:04 Senator Patrick Leahy 202-224-3479

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2/2

Congress of the United States

Washington, D.C. 20515

April 30, 2008

The Honorable William E. Kovacic
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580

Dear Chairman Kovacic:

During these troubling economic times, we are greatly concerned that Vermonters face record gasoline and home heating prices as the nation's largest oil companies report record profits. Congress tasked the Federal Trade Commission (FTC) with the responsibility to prevent unfair methods of competition, and Congress periodically updates the tools at the FTC's disposal, as necessary, to protect the American consumer. Last December, for instance, Congress passed the Energy Independence and Security Act, which gave the FTC additional authority to protect consumers from skyrocketing energy costs by cracking down on market manipulation.

Recent price volatility and investor speculation in the oil market require the diligent oversight for which Congress called, especially given that regular unleaded gasoline in Vermont reached its highest record level ever last weekend. The Energy Independence Act directs the FTC to ensure that the U.S. petroleum market is free from price or supply manipulation and to levy tough penalties against those who might seek to profit from such illegal activities. It also authorizes the FTC to prescribe rules related to the purchase or sale of crude oil gasoline "as necessary or appropriate in the public interest for the protection of United States citizens."

Clearly, the skyrocketing price of crude oil, whether the result of anticompetitive limits on supply, commodity market manipulation, or other causes, is harming Vermonters and American consumers across the country. We write to ask what steps the FTC has taken pursuant to this new statutory authority to protect Americans. Has the FTC referred any possible criminal conduct to the Department of Justice? If the authority Congress gave the FTC was, in your view, insufficient to limit market manipulation, what authority does the FTC need from Congress?


The American economy is suffering from gas prices that have more than doubled since President Bush took office. Congress has authorized the FTC to take action. The FTC must not delay as Vermont families and businesses continue to struggle to deal with record gas and home heating oil prices.

Sincerely,



PATRICK LEAHY
United States Senator

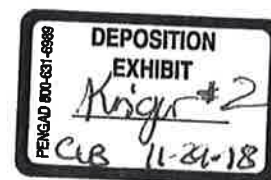
BERNARD SANDERS
United States Senator



PETER WELCH
United States Representative

RLV - 00134672

Exhibit H



THE CHAIRMAN

FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

July 9, 2009

The Honorable Bernard Sanders
United States Senate
Washington, D.C. 20510-4705

Dear Senator Sanders:

You requested a public report on the Federal Trade Commission's investigation into the possible reasons that gasoline prices in Burlington, Vermont, did not decline as quickly as prices in other cities during the late fall and early winter of 2008. Thank you for bringing this important issue to the Commission's attention.¹

I share your concern about the impact of high gasoline prices on the day-to-day life of consumers and understand the frustration and hardship that are created when those prices rise significantly above those in surrounding areas without any obvious market explanation, as occurred in this instance. As I explained at our meeting of June 24, 2009, such situations receive the Commission's closest attention, and FTC staff conducted a careful and extensive investigation of this issue, including interviews with a number of market participants. The staff has concluded this review and did not find any evidence of illegal activity in gasoline markets in the Burlington area. This letter describes the scope of the investigation and summarizes the findings of Commission staff, subject to the Commission's obligations not to disclose confidential information.²

The Commission's ongoing Gasoline and Diesel Price Monitoring Project³ identified retail gasoline prices significantly above predicted values in Burlington, and in some Western New York cities, during the fall and early winter of 2008. In response to these observations and to your request, Commission staff conducted an analysis of retail gasoline prices in Burlington and Western New York (1) to confirm that prices in those markets were unusually high relative to other areas; and (2) once confirmed, to investigate possible illegal or other reasons for the observed prices.

¹ Commission staff received your request for an investigation during a telephone conversation last fall.

² See, e.g., 15 U.S.C. §§ 46(f), 57b-2; 16 C.F.R. § 4.11.

³ The Gasoline and Diesel Price Monitoring Project is described at http://www.ftc.gov/ftc/oilgas/gas_price.htm.

The Honorable Bernard Sanders - Page 2

The staff first analyzed whether average retail price levels in the Burlington, Vermont, and Buffalo, Rochester, and Jamestown, New York, metropolitan areas were higher than would be expected, using as a baseline the normal relationship between those prices and retail gasoline prices in Albany.⁴ This analysis confirmed that average retail gasoline prices in these cities were significantly higher than expected relative to Albany.

FTC staff then examined whether supply disruptions or other readily identifiable market conditions could explain the unusually high prices observed in the affected cities. For example, refinery disruptions, pipeline interruptions, terminal outages, or transitions to new fuel specifications are common reasons why one might see supply problems and thus higher prices. The staff could identify no such market conditions that fully explained the unusual price levels in Burlington and Western New York last fall.⁵

Consequently, the staff opened a law enforcement investigation and coordinated with the Attorneys General of Vermont and New York. This investigation sought to determine whether the observed high prices resulted from illegal behavior by participants in Burlington and Western New York gasoline markets.⁶

When conducting law enforcement investigations of this kind, the staff seeks to gain a full picture of the competitive situation, including the identity of firms responsible for setting prices in relevant markets and their market shares, and evidence of any possible agreement among market participants to raise price or restrict output. Relevant information may also

⁴ Burlington has the only gasoline products terminal in Vermont. This terminal is supplied entirely by rail. The terminal is insufficient to meet local demand, however, and thus local supply is supplemented by truck from terminals in Albany and other terminals outside Vermont. In view of Albany's role as the largest nearby market for conventional gasoline and as the supply point for the vast majority of Burlington's gasoline, the staff used Albany price levels as the baseline for the purpose of evaluating Burlington prices. This allowed them to address directly the concerns you posed regarding the discrepancies between prices in Burlington and nearby areas.

⁵ Although the bulk of the staff's analysis focused on retail gasoline prices, the staff also evaluated wholesale prices. That analysis showed that, with one exception, wholesale price levels in the affected cities and nearby areas maintained their normal relationships with each other and with Albany. The one exception was in Warren, Pennsylvania, where the wholesale price of "unbranded" (non-brand-name) gasoline rose relative to Albany during the fall of 2008. The staff investigation concluded that this increase was not the result of anticompetitive activity.

⁶ The Commission enforces the Federal Trade Commission Act, 15 U.S.C. §§ 41-58 (which prohibits, among other conduct, violations of the Sherman Act's prohibitions of monopolization, attempts and conspiracy to monopolize, and conspiracies in restraint of trade), and the Clayton Act, 15 U.S.C. §§ 12-27 (which prohibits several types of anticompetitive conduct, including mergers and acquisitions likely to substantially lessen competition).

The Honorable Bernard Sanders - Page 3

include evidence that price levels during the time period under investigation followed a pattern that was inconsistent with patterns in other periods.

Commission staff and attorneys from the offices of the Vermont and New York Attorneys General interviewed more than 20 companies involved in these markets, including refiners, refined products pipeline operators, terminal operators, marketers, distributors, and retail gas station owners. The staff also purchased retail and wholesale price data from the Oil Price Information Service and obtained other relevant data from public sources, and used those data to analyze wholesale and retail price differentials between Burlington and Western New York communities in different time periods. This analysis included an examination of the range of prices at different retail stations in the affected areas last fall relative to other periods, as well as measurement of how quickly prices stabilize relative to each other.

The staff investigation showed that no company possessed a monopoly share of any retail gasoline market in Burlington or Western New York, nor was any company large enough to effectively attempt to create a monopoly through illegal means. Further, the staff identified no unfair method of competition that any company or group of companies employed to cause the observed price levels last fall, nor any evidence of such activity. Accordingly, the investigation focused on the only remaining plausible theory of illegal behavior that could explain the unusually high prices last fall – that companies in Burlington and Western New York might have engaged in collusion.

In Burlington – as well as in each of the Western New York cities that the staff examined – many companies set prices at retail gas stations, and no single station owner or group of owners controls a large share of the volumes sold in any of those cities. This is the type of setting in which collusion is difficult to achieve and maintain.⁷ For example, the staff discovered that numerous firms in the affected cities contract with brand-name companies to sell branded gasoline while independently setting their own retail prices. Thus, even though only a limited number of brands of gasoline are sold in some of the affected cities, it is unlikely that major

⁷ It becomes increasingly difficult to achieve and maintain successful collusion as the number of parties increases within a collusive group. By way of illustration, the Federal Trade Commission and U.S. Department of Justice Horizontal Merger Guidelines state:

If collective action is necessary for the exercise of market power, as the number of firms necessary to control a given percentage of total supply *decreases*, the difficulties and costs of reaching and enforcing an understanding with respect to the control of that supply might be *reduced*.

§ 2.0 (emphasis added). Consistent with the principle that an increase in the number of participating firms raises the hurdles to successful collusion, the Merger Guidelines presume that ten firms of equal size would be unlikely to collude successfully (although there are exceptions).

The Honorable Bernard Sanders - Page 4

branded oil companies set retail station prices for any particular brand.⁸ Similarly, simultaneous collusion across all of the affected cities would be highly unlikely because the companies that set retail gasoline prices in any one affected city differ from those that set retail prices in other affected cities.

Other market factors also would have made collusion very difficult. For example, as crude oil prices plummeted during the fall, product costs for gasoline retailers throughout the nation fell with unprecedented speed and magnitude.⁹ As wholesale gasoline prices fell substantially on a daily basis, the numerous retail price setters in each affected city would have had to reach agreement on cartel prices on a frequent basis – probably each day, if not more frequently. The need to reach agreement so frequently would have made it very difficult to maintain an effective collusive scheme throughout the fall of last year.

Nor did market data support the notion that there was a conspiracy to raise prices last fall. For example, the staff found no evidence that station owners in the affected cities charged prices closer to those of their competitors last fall than they did in previous time periods. The staff also found no evidence that retailers pegged their price levels relative to one another; rather, retailers' prices generally jumped above or fell below those of their competitors last fall, just as they tended to do in other periods.

Although the investigation did not uncover any illegal activity, the Commission will remain focused on potentially anticompetitive behavior in order to protect consumers. The FTC is always interested in considering any potential evidence of illicit activity in the marketplace and will continue its efforts to identify, prevent, and prosecute any unlawful anticompetitive practices in petroleum and other markets.

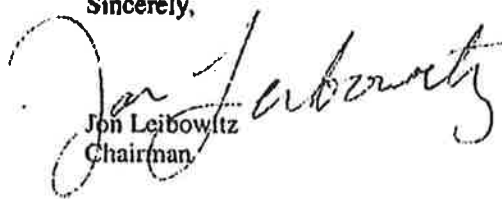
⁸ See, e.g., ERS GROUP, REPORT ON PETROLEUM PRODUCTS MARKETS IN THE NORTHEAST: PREPARED FOR THE ATTORNEYS GENERAL OF MAINE, MASSACHUSETTS, NEW HAMPSHIRE, NEW YORK, AND VERMONT 83 (2007), available at http://www.statecenterinc.org/docs/Complete_Petroleum_Report_09-07-07.pdf (more than 95 percent of retail stations in Vermont supplied by independent companies that purchase wholesale gasoline and independently set their own retail prices).

⁹ Between July 2008 and the end of December 2008, the price of crude oil dropped more than \$115 per barrel, from just over \$145 per barrel in the summer to around \$30 per barrel during the week of Christmas. Energy Information Administration, "Cushing OK WTI Spot Price FOB," available at <http://tonto.eia.doe.gov/dnav/pet/hist/rwtcd.html>. The drastic drop in crude oil prices over this time period resulted in large daily decreases in wholesale gasoline prices throughout the country.

The Honorable Bernard Sanders - Page 5

Again, thank you for bringing this matter to the Commission's attention. The maintenance of free and fair competition in our gasoline markets is of critical importance to the Commission and to consumers, and your ongoing vigilance is greatly appreciated.

Sincerely,



Jon Leibowitz
Chairman

Figure 1. Burlington, VT
Average Weekly Price vs Predicted Range
Jan 2008 - Jun 2009

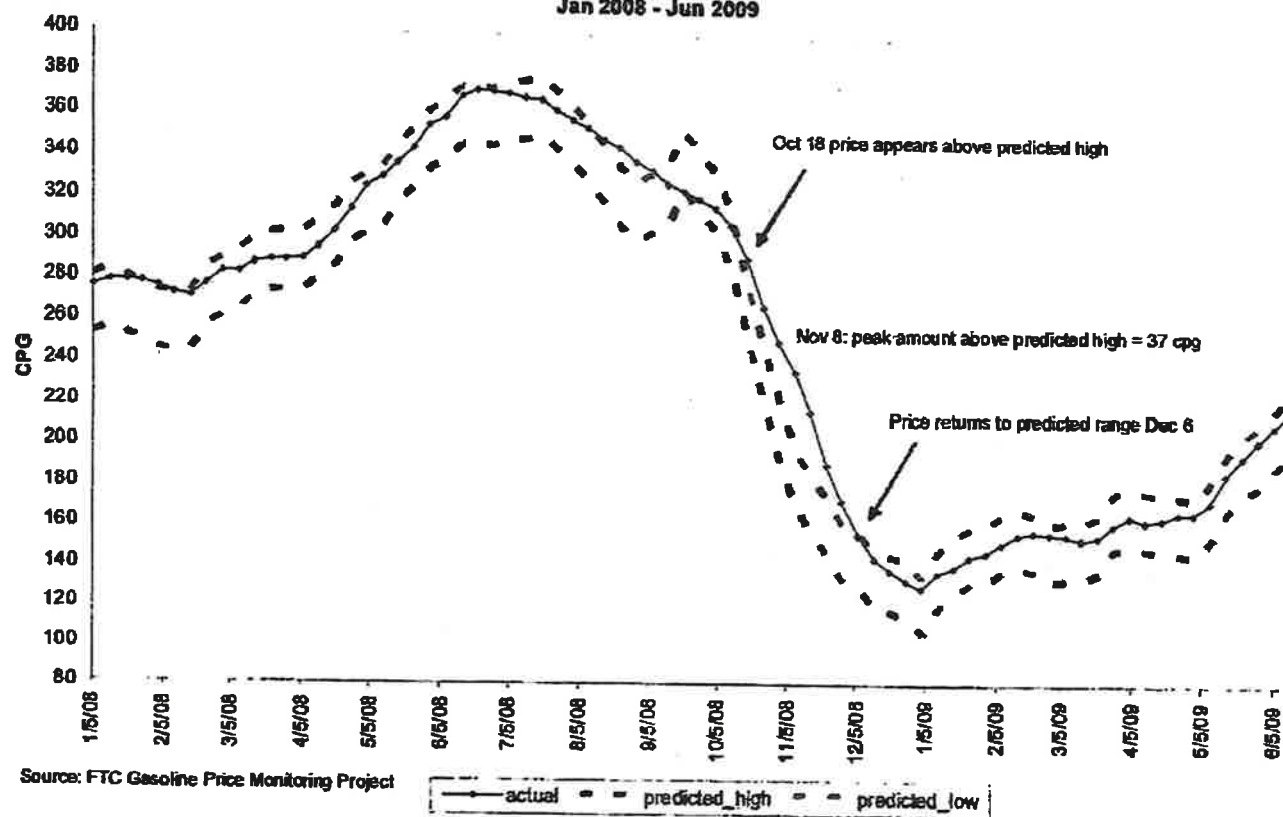
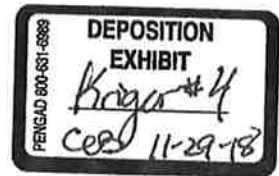


Exhibit I



Seesel, John H.

From: Armstrong, Norman
Sent: Saturday, July 28, 2012 2:29 PM
To: Bumpus, Jeanne; Dawson, Rachel Miller; Broyles, Phillip L.; Seesel, John H.; Vandecar, Kim
Subject: Re: Draft talking points for JDL to call Sen. Sanders

Rachel-

(b)(5)

From: Bumpus, Jeanne
Sent: Saturday, July 28, 2012 12:22 PM
To: Dawson, Rachel Miller; Armstrong, Norman; Broyles, Phillip L.; Seesel, John H.; Vandecar, Kim
Subject: Re: Draft talking points for JDL to call Sen. Sanders

All,

Mary Lehner reported that the Chairman spoke to Senator Sanders and made it clear that we did not have the resources to investigate and would not be investigating. He advised, however that we would assist the AG if he chose to investigate. Jon also asked that we inform Sanders' office if we learn what the AG intends to do (assuming this is information that can be shared). Thanks all.

From: Dawson, Rachel Miller
Sent: Friday, July 27, 2012 08:32 PM
To: Armstrong, Norman; Broyles, Phillip L.; Bumpus, Jeanne; Silvia, Louis; Seesel, John H.
Cc: Vandecar, Kim
Subject: Re: Draft talking points for JDL to call Sen. Sanders

Adding John Seesel.

Thanks norm. (b)(5)

From: Armstrong, Norman
Sent: Friday, July 27, 2012 05:40 PM
To: Dawson, Rachel Miller; Broyles, Phillip L.; Bumpus, Jeanne; Silvia, Louis
Cc: Vandecar, Kim
Subject: Re: Draft talking points for JDL to call Sen. Sanders

(b)(5)

From: Dawson, Rachel Miller
Sent: Friday, July 27, 2012 05:29 PM
To: Armstrong, Norman; Broyles, Phillip L.; Bumpus, Jeanne; Silvia, Louis
Cc: Vandecar, Kim
Subject: Re: Draft talking points for JDL to call Sen. Sanders

(b)(5)

From: Armstrong, Norman
Sent: Friday, July 27, 2012 05:20 PM
To: Broyles, Phillip L.; Bumpus, Jeanne; Dawson, Rachel Miller; Silvia, Louis
Cc: Vandecar, Kim
Subject: Re: Draft talking points for JDL to call Sen. Sanders

(b)(5)

From: Broyles, Phillip L.
Sent: Friday, July 27, 2012 04:59 PM
To: Armstrong, Norman; Bumpus, Jeanne; Dawson, Rachel Miller; Galvan, Patricia V.; Silvia, Louis; Richman, Peter
Cc: Vandecar, Kim
Subject: RE: Draft talking points for JDL to call Sen. Sanders

(b)(5), (b)(6)

From: Armstrong, Norman
Sent: Friday, July 27, 2012 4:30 PM
To: Bumpus, Jeanne; Dawson, Rachel Miller; Galvan, Patricia V.; Broyles, Phillip L.; Silvia, Louis; Richman, Peter
Cc: Vandecar, Kim
Subject: Re: Draft talking points for JDL to call Sen. Sanders

(b)(5)

From: Bumpus, Jeanne
Sent: Friday, July 27, 2012 03:14 PM
To: Dawson, Rachel Miller; Armstrong, Norman; Galvan, Patricia V.; Broyles, Phillip L.; Silvia, Louis; Richman, Peter
Cc: Vandecar, Kim
Subject: RE: Draft talking points for JDL to call Sen. Sanders

Thanks Rachel. Makes sense to me.

From: Dawson, Rachel Miller
Sent: Friday, July 27, 2012 3:09 PM
To: Bumpus, Jeanne; Armstrong, Norman; Galvan, Patricia V.; Broyles, Phillip L.; Silvia, Louis; Richman, Peter
Cc: Vandecar, Kim
Subject: Re: Draft talking points for JDL to call Sen. Sanders

(b)(5)

(b)(5)

From: Bumpus, Jeanne

Sent: Friday, July 27, 2012 03:02 PM

To: Armstrong, Norman; Galvan, Patricia V.; Broyles, Phillip L.; Silvia, Louis; Richman, Peter

Cc: Dawson, Rachel Miller; Vandecar, Kim

Subject: Draft talking points for JDL to call Sen. Sanders

The Chairman asked for talking points for call with Senator Sanders. Please let me know if you have any edits to the following:

(b)(5)



Exhibit J



VPR News

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The Vermont Economy: Steve Zind Reports

FTC Says It Won't Investigate Why Vt. Gas Prices Are High

Monday, 01/07/13 5:50pm

LISTEN (3:09) MP3 | Download MP3 - Vermont Public Radio Steve Zind



AP/Gregory Heil
California drivers have seen even bigger gas price hikes than northwestern Vermont.

Last July, Senator Bernie Sanders asked the Federal Trade Commission to investigate gas prices in Northwestern Vermont.

Sanders said consumers were being ripped off, and he blamed the area's gas retailers for keeping prices artificially high simply.

The FTC has since reported that prices were higher than its projections. But in an indication that it doesn't suspect illegal activity, it has told Sanders no further investigation is planned.

Sanders has never accused gasoline retailers of price fixing, or anything illegal.

But he did ask the government to investigate because he says there's only one way to explain why Northwestern Vermont gas prices are sometimes much higher than the rest of the state.

"With a wink and a nod for a long time now, a handful of gas stations in Chittenden County, Franklin County, Grand Isle, maybe Lamoille County have more or less been able to control prices," Sanders says.

The Vermont Petroleum Association says a laundry list of factors determines gasoline prices from market to market, but it's no secret that convenience store owners watch nearby competitors and adjust their prices accordingly.

Speaking with VPR last spring, Bob Moreau explained that's exactly what happens between his business and the three other gasoline retailers in downtown Randolph.

"I see the guy from Champlain Farms come over here to the corner and look and I see the guy from Exxon come over to the corner and look. And they must send somebody from Cumby's up. I see them every day," Moreau explained.

And there's nothing wrong with that.

While there are laws that prevent gasoline prices increases during an emergency, it's perfectly legal for retailers to raise prices to match their competitors. There's even a legal term for it. It's called "conscious parallelism."

Sometimes adjusting prices based on the competition leads to lower prices, but even if prices go up and the increase is all going into the retailers pocket conscious parallelism isn't illegal.

"It's not unlawful for to see your competition raise prices and for you to follow," says Jennifer Taub, an Associate Professor of Law at the Vermont Law School. "It's not unlawful to be the first competitor to raise prices. What is unlawful, though, is when you act in concert pursuant to an agreement or a conspiracy to raise prices."

In other words it's generally alright for a business to raise prices along with its competitors as long as there's no evidence of an actual agreement to do so. Taub says the agreement doesn't need to be explicit. It can be implied.

"If there's evidence that two competitors got together and said 'here's what I'm planning to charge next week' and the other said 'and here's what I'm planning to charge' and they have a nice meal and they nod at each other, that can be a tacit agreement," she says.

What constitutes a tacit agreement is an important point because unlike other retailers gas stations post their prices on big signs out front.

The signs are there to draw in consumers, but in Sanders' view they also make it easy for retailers to coordinate their pricing especially when there aren't many competitors involved.

As Senator Sanders sees it: "You have a small number of owners in Northwest Vermont who I think look at each others prices and they say, 'hey, there's no particular reason to lower prices'."

Even evidence that obliquely suggests communicating about prices would raise serious price fixing concerns, but Jennifer Taub says conscious parallelism alone isn't illegal.

"Even if the result from perfectly legal conduct, which is very high prices, is the same that would have resulted if there had been an actual agreement, it's really not punishable," says Taub.

In 2011 a court rejected claims by residents of Martha's Vineyard that a group of gas stations had engaged in illegal price fixing.

Exhibit K

STATEMENT BY SEN. BERNARD SANDERS ON GAS PRICES

Monday, August 6, 2012

This is a formal hearing of the U.S. Senate Committee on Energy and Natural Resources and I want to thank Sen. Jeff Bingaman of New Mexico, Chairman of the Committee, for allowing us to hold this hearing in Burlington. I also want to thank Committee staff for being with us today. What is being discussed here will become a part of the official record of the Committee.

I also want to thank our panelists for taking the time to be with us and to share their views on this important issue.

The issue that we are going to explore today is an extremely important concern for many Vermonters and that is how gas prices at the local level are determined and why it is that, with few exceptions, gas prices at the pump in northwest Vermont - Chittenden, Franklin and Grand Isle Counties - have been significantly higher over the last several years than gas prices in other parts of Vermont, in New England, and throughout the country. That is the issue we want to explore today.

I think we all understand that in a rural state like Vermont high gasoline prices have a very serious economic impact on many people and families in our state. It is certainly not uncommon in Vermont for workers to travel 30, 40, 50 miles to their jobs and back. When gas prices get very high that is money coming right out of workers' paychecks, paychecks which in recent years have often been stagnant or even declining. High gasoline prices impact not only workers, but small business owners, family farmers, truckers, and volunteers delivering meals to senior citizens. In other words, they impact the entire local economy.

Let's be very clear. The issue that we are exploring today is a complicated one and is extremely opaque. It is an issue which has not gotten the public attention or transparency that it deserves. Today, what we are going to try to do is, to some degree, lift the veil of secrecy on this issue.

Let's be clear: there are many factors that go into setting gasoline prices in Vermont and across the country.

Gasoline prices to a significant degree are determined by the price of crude oil. When crude oil prices go up, gas prices go up. When crude oil prices go down, gas prices go down. Excluding for a moment, the enormous power of OPEC, the Oil Producing Exporting Countries, we have in this nation five giant oil companies -- Exxon Mobil, BP, Shell, Chevron, and ConocoPhillips - that have made more than a trillion dollars in profits over the last decade. I think it's fair to say that most consumers understand that these giant oil companies, who year after year make enormous profits, do not stay up nights worrying about the needs of consumers. Just in passing, as one small example, I would mention that in 2005 Lee Raymond, the former chairman of Exxon Mobil was given a nearly \$400 million retirement package by that company. I should also mention that these very same oil companies receive billions of dollars in generous tax breaks and subsidies from the federal government - something which I have been trying to end.

Further, another reason why oil prices are so high has to do with Wall Street speculators who are buying and selling huge amounts of oil on the energy futures market. The last information that I have on this issue is that Wall Street speculators control over 80 percent of the oil futures market. Needless to say, unlike fuel dealers or airline companies or trucking companies, these Wall Street firms do not use one barrel of that oil. They are there just to speculate and make huge profits.

Goldman Sachs, perhaps the largest speculator on Wall Street, came out with a report earlier this year indicating that excessive oil speculation is costing Americans about 56 cents a gallon at the pump. Others have made estimates that are even higher.

While these two factors, and others, can explain why gas prices have been extremely high on the national level, they cannot explain what we are exploring today - and that is the significant differences in gasoline prices that have existed in northwest Vermont compared to other regions of our state and other parts of the country.

Over the past several months, many Vermonters have asked me why consumers have been forced to pay considerably more for a gallon of gasoline in northwest Vermont than in other regions of the state or New England.

Clearly, in Vermont, state taxes are the same throughout the state and what we have learned is that transportation costs amount to just a few cents per gallon.

Why on July 6, 2012 - a month ago - would the same gas station company (Maplefields) charge \$3.35 a gallon in Middlebury while charging \$3.59 a gallon just 35 miles away in Burlington?

Related Issues

- Vermont
- Energy & Environment
- Gas Prices

Why, on July 1st, were people in St. Albans paying on average -- looking at all the gas stations in that area -- \$3.60 for a gallon of gas, while people in Springfield, Vermont, on average, were paying less than \$3.40 a gallon?

Why, on June 24th, were people in Waterbury paying more than \$3.65 a gallon for gas, on average, while people in Rutland were paying an average of \$3.49 a gallon?

These are just a few of the questions that the citizens of Vermont have been asking me and that my office has been trying to answer.

On July 2nd, I asked the Federal Trade Commission (FTC) and the Oil and Gas Price Fraud Working Group to investigate why prices could be so much higher throughout northwest Vermont than in other areas of the state and country.

In the days that followed, we learned a lot of interesting information.

First, the FTC provided information showing gasoline prices in greater Burlington in late June were 10 to 43 cents a gallon greater than their computer model projected they should be based on historical wholesale prices.

Secondly, according to OPIS, the Oil Price Information Service, we learned that earlier this summer the Burlington area was the most profitable gasoline market in the northeast - more profitable than Washington, DC or New York City or, in fact, any other region east of the Rocky Mountains.

Further, according to data I received from OPIS, gasoline profit margins in Burlington more than tripled from January 1st of this year through June 30th of this year.

During the first half of this year, Burlington was one of the most lucrative markets in the entire eastern half of America.

As Ben Brockwell, the director of data at the Oil Price Information Service (OPIS), and one of our witnesses today, told the Burlington Free Press on July 13th: "Burlington is always the top market in the Northeast in terms of profits."

Let's be clear. What we have seen in the first half of this year is not an aberration.

Over the last three years, gasoline prices and profit margins have almost always been higher in the Burlington area than the national average.

In fact, over the past three years, Burlington area gas prices have exceeded the U.S. average 86 percent of the time - sometimes by as much as 29 cents per gallon. And, Burlington gasoline prices, over the past three years have exceeded the statewide average 72 percent of the time. Prices in St. Albans exceeded both the U.S. average and the Vermont average 90 percent of the time. Prices in Waterbury exceeded the US average 97 percent of the time and Vermont 100 percent of the time.

As my office has looked at this issue, we have tried to understand why prices in northwest Vermont were so much higher than the rest of the nation, the rest of New England, and the rest of the country. And one conclusion that we have reached is that it appears that there is just not a whole lot of competition when it comes to gas prices in this region - certainly as compared to other parts of the state and this country.

One of the reasons for that may well be a reality that many Vermonters are not aware of. And that is that the three largest gasoline distributors in northwest Vermont (S.B Collins (43), Champlain Oil (35), and R.L Vallee (22)) own more than half of the filling stations in this region (owning 100 of 185 stations); and just four companies (adding Wesco (18) into the mix) own nearly two-thirds of the filling stations in northwest Vermont, or 64 percent -- owning 118 of 185 stations.

I suspect that this concentration of ownership and lack of price competition may be a significant reason why gasoline stations in northwest Vermont have been able to charge substantially higher prices than other regions of our state or the country.

No one is disputing that gasoline distributors have a right to make a profit. In my view, however, they should not be ripping people off in these tough economic times.

Now, let me mention something that I have found very interesting. And, that is that, since I have called for this investigation into unusually high gasoline prices in northwest Vermont, I am happy to say that I have detected a more competitive spirit among gasoline station distributors in Chittenden County. I say this fully

understanding that national wholesale gas prices have soared in recent weeks, and have in the last couple of days been reflected locally.

On Friday, August 3rd, gas prices in Burlington were, for the first time in several months, below the national average. Today, as best as we understand, with gas prices in Vermont and nationally soaring, gas prices in the Burlington area remain at about the national average.

In the month of July, average gasoline prices in the Burlington area went down by about nine cents a gallon, even though wholesale gasoline prices in our region have gone up by more than 18 cents a gallon during this same time period.

Meanwhile, the national retail average price for gasoline during July went up by more than 19 cents a gallon, keeping track with the rise in wholesale prices. In other words, during July while gas prices nationally went up by 19 cents a gallon, they went down by 9 cents a gallon in the Burlington area. This indicates to me that when local distributors want to be competitive they have the capability of doing so. And, I hope very much that we continue to see that level of competition in northwest Vermont so that prices here reflect prices nationally and in the rest of New England.

Now, as many of you know, Costco has been trying to build a gasoline station at its Colchester location since 2007.

Costco recently informed my office, and I will enter that letter as part of the record, that it could have sold gasoline for 19 cents a gallon less than the average price charged by gas stations in Colchester during the past two years. And, I want to thank a representative from Costco for being here today.

I raise this issue not to be "pro-Costco" or "anti-Costco," but to emphasize that when low-cost competitors enter a market, what national statistics show is that market forces have a tendency to bring prices down.

Let me also be clear: Costco is attempting to receive a permit through a regional environmental board. This hearing today has nothing to do with that process because it would be totally improper for I or anyone else to be intervening in what is a state of Vermont quasi-judicial process. As I think most people now know some of the major opponents to Costco getting that permit are local gasoline distributors. In a letter to me, Costco wrote and I quote: "Since 2007 Costco has been seeking land use permits and approvals to build a gasoline filling station at our current store in Colchester, Vermont. We have obtained several approvals for our proposed gas station in Colchester, but each approval has been appealed by, among others, gas station owners in northern Vermont. We can discern no legitimate reason for these appeals, and believe that they are really an attempt to use the land use process to stifle competition for gas sales."

That's Costco's view. Others can form their own opinion.

Exhibit L

12/10/2018

Gas pricing expert says Burlington is 15th highest market in nation



O

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Joe Biden

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BUSINESS & ECONOMY

Gas pricing expert says Burlington is 15th highest market in nation

By **Anne Galloway**

Jan 23 2013 | 0 comments



Rep. Mark Higley, R-Lowell, talks with Rep. Chip Conquest, D-Groton, at a hearing on gas prices at the Statehouse Tuesday afternoon. Photo by Roger Crowley

Northwestern Vermont has among the highest gas prices in the nation and state officials say a few powerful gas distributors have no incentive to lower per gallon prices for consumers.

Gas prices are consistently 10 cents to 20 cents higher in Chittenden and Franklin counties than in other areas of the state, and Vermont's prices more generally are higher than neighboring states, according to research from the office of U.S. Sen. Bernie Sanders, I-Vt.

On average, gas retailers are making 33 cent per gallon profits in Chittenden and Franklin counties, Sanders told Vermont lawmakers at a hearing on Tuesday.

Sanders' conclusion? A few companies — two in Franklin County and four in Chittenden County — control the market and there is not enough competition to drive down the price.

"In my view this is a situation in which a handful of distributors are controlling the market to a very significant degree," Sanders said. "The question is, are they doing something illegal? Hard to determine. Do I believe they get on the phone every morning and act in a collusive way and ask how much are you going to charge tomorrow? I doubt that very much, but we have heard — they almost acknowledge — that the way they do pricing is to look out window and see what the other guy is charging. When you do not have vigorous competition like they have in Middlebury and Springfield and towns along the New Hampshire border, there is no incentive to lower the price."

12/10/2018

Gas pricing expert says Burlington is 15th highest market in nation



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competition."

Lawmakers heard testimony from representatives from Oil Price Information Service and gasbuddy.com, both of whom verified Sanders' assertions.

Fred Rozell, the retail pricing director of OPIS, told legislators that the Burlington market is the 15th highest in the nation. Even though Vermont combined local, state and federal taxes on gas are 6.3 cents lower than Massachusetts' taxes, prices in Vermont have been consistently higher than the prices paid in Massachusetts. There were only two occasions over a 24-month period from January 2011 and December 2012 in which the average price in Vermont was less than the average price in Massachusetts, Rozell said.

In June 2012, for example, Vermonters paid \$3.66 a gallon on average, while Massachusetts residents paid \$3.49 on average. "It's quite puzzling to say the least," Rozell said.

enter search term

Industry representatives, including Chris Vallee, CEO and chairman of R.E. Vallee, a company founded by his grandfather, attributed the higher prices at the pump to the high cost of doing business in Vermont.

Vallee's company runs 28 convenience stores in Vermont and seven in New York and one in New Hampshire, most of which are operated under the Maplefields brand. He employs 480 Vermonters and delivers fuel to 21 independent customers in Vermont.

Customers pay a higher price at his convenience stores for a higher quality experience, Vallee said. His company offers a safe, attractive shopping experience for customers and perks like spotless bathrooms adorned with fresh flowers.

His company, he said, couldn't be more transparent about gas prices — after all, he said the per gallon rate is advertised on a 5-foot by 12-foot sign.

He blamed higher prices at his station on a variety of factors that boiled down to this: "It's no secret that the cost of living in Vermont is high. Income taxes, property taxes, and even sales and gas taxes are a real challenge and should be a top priority for our elected officials," Vallee said. He pays double in property taxes for a station in Vermont (about \$56,000 a year) as he does for a store in New York (about \$21,000).

Not to mention the cost of crude. Vallee argues that Vermont's higher prices at the pump come down to wholesale distribution of oil. He recommended that the state obtain crude from the Portland pipeline. "The price of Northeast product could decline by 36 cents a gallon if we had pipeline access to oil sands and Midwestern crude," Vallee said.

"Of course, many will say that Canadian oil sands are an inappropriate source, citing global warming concerns," Vallee said. "To those folks, I would reiterate my earlier statement about having to base decisions on facts and the fact is: The cost to Vermonters for that principled position is 36 cents a gallon — not to mention the increased instability of buying from unfriendly nations."

Vallee took Sanders to task for extolling the "lower price promises of the out-of-state, big box, multinational corporation, Costco Wholesale" and for encouraging Costco to build a filling station even though it has been in violation of its Act 250 permit. The Chittenden County district environmental commission is expected to make a decision about whether to approve the gas station in the next few days.

Joe Choquette, a Downs Rachlin Martin lobbyist for the American Petroleum Institute, said the numbers reported by gasbuddy.com and OPIS don't include transportation costs, credit card fees, the difference in wholesale prices in Burlington compared with the average nationwide. It costs a nickel per gallon to transport gas 75 miles, and credit card fees eat up another 10 cents a gallon. As of Jan. 15, the average per gallon gross margin, he said, is about 13.71 cents. Sales volumes in Vermont are the second lowest in the nation (after Alaska), he said, and that has an impact on profits.



Vermont Attorney General Bill Sorrell. Photo by Roger Crowley

Fostering competition through regulation

Lawmakers mulled what, if anything, can be done about the disparity in pricing between northwestern Vermont and the rest of the state and Vermont and other states in the region.

Vermont Attorney General Bill Sorrell suggested four steps the Legislature can take to foster competition.

He recommended that Vermont lawmakers follow Maine's lead and require his office to report all sales by station owner on an annual basis "so we can see the volume of sales and by which owners." Sorrell said that information could be very helpful to his office.

In addition, Sorrell said Maine requires state "advanced notice" review of mergers of retail and/or wholesale gas companies. His office then could take "a quick look" at whether a merger could enhance consolidation thereby arguably reduce competition. If not, the attorney general could "seek to block such a merger going forward if the facts warrant it."

The state could also require the "divorcement" or breakup of distributors and retail owners. Right now wholesale distributors often own filling stations. To foster more competition, the state could impose a statute that would force the divorcement of retail station owned by wholesalers "at certain levels of consolidation." This would be a more controversial option, Sorrell said, that other states have tried. Some economists have questioned, however, whether divorcement results in increases in pump prices.

"We have a situation that is not good for consumers," Sorrell said. "We have no evidence right now of outright violations of antitrust laws, but we look for competition, and we hope that through this session you might consider actions that would foster competition for fuel oil in the marketplace."

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Gas pricing expert says Burlington is 15th highest market in nation



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director of the Vermont Journalism Trust. Galloway founded VTDigger in 2009 after she was laid off from her position as Sunday editor of the *Rutland Herald* and *Times Argus*. VTDigger has grown from a \$16,000 a year nonprofit with no employees to a \$1.5 million nonprofit daily news operation with a staff of 20. In 2017, Galloway was a finalist for the Ancil Payne Award for Ethics, the Al Neuharth Innovation in Investigative Journalism Award and the Investigative Reporters and Editors FOIA Award for her investigation into allegations of foreign investor fraud at Jay Peak Resort.

✉ Email: agalloway@vtdigger.org🐦 Follow Anne on Twitter [@GallowayVTD](#)**Latest stories by Anne**

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There are no comments yet. Why don't you write one?

Exhibit M

From: McLean, Daniel (Sanders) <Daniel_McLean@sanders.senate.gov>
Sent: Wednesday, September 17, 2014 5:38 PM
To: Kriger, Ryan
Subject: Re: Gas Prices

Categories: Printed

Sounds good. Feel free to call, or give me a good number for you.

Sent from my BlackBerry 10 smartphone.

From: Kriger, Ryan
Sent: Wednesday, September 17, 2014 4:37 PM
To: McLean, Daniel (Sanders)
Subject: RE: Gas Prices

Let's talk tomorrow.

-Ryan

From: McLean, Daniel (Sanders) [mailto:Daniel_McLean@sanders.senate.gov]
Sent: Wednesday, September 17, 2014 1:17 PM
To: Kriger, Ryan
Subject: Gas Prices

Ryan: I worked with you on gas prices back in 2012, correct? I have some ideas on how you can get some pricing data that the AG said he was looking for. ... Dan

Daniel McLean
Senior Press Advisor
Office of U.S. Senator Bernie Sanders

daniel_mclean@sanders.senate.gov
(802) 862-0697 office phone

Visit Senator Sanders' Online Resources:
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Exhibit N

12/10/2018

Sanders Nemesis to Air TV Ad Bashing Wife's "Golden Parachute" | Off Message

VERMONT'S INDEPENDENT VOICE

WEDNESDAY, SEPTEMBER 17, 2014

U.S. POLITICS

Sanders Nemesis to Air TV Ad Bashing Wife's "Golden Parachute"

POSTED BY PAUL HEINTZ ON WED, SEP 17, 2014 AT 5:31 PM



As Sen. Bernie Sanders (I-Vt.) **travels the country to gauge interest in a presidential campaign**, a longtime nemesis is attacking him back home.

Gasoline distributor and retailer Skip Vallee, a prominent Republican fundraiser, has produced a 60-second television advertisement accusing Sanders of hypocrisy for railing against "golden parachutes" while benefiting from one himself. The ad notes that the senator's wife, Jane O'Meara Sanders, received a \$200,000 severance package when she stepped down as president of the now-financially struggling Burlington College in October 2011.

Vallee distributed the ad to Vermont reporters Wednesday morning and plans to air it on local television stations starting Thursday morning. He says he's already invested \$10,000 in a weeklong run on WCAX-TV, adding, "That's just the initial buy."

"I think the ad makes a point that I think the mainstream media should be making: Bernie is going to run on a theme of railing against golden parachutes and excesses, which is going to be a tough thing to do when he took his own golden parachute," Vallee says.

Sanders' spokesman, Michael Briggs, responded to the ad by calling Vallee "pathetic" and a "junior varsity version of the Koch brothers." Briggs said the senator "will not be intimidated by a millionaire who has crawled into the gutter and bought TV ads attacking Bernie's wife for a sabbatical she earned from a college where she was president for seven years."

12/10/2018

Sanders Nemesis to Air TV Ad Bashing Wife's "Golden Parachute" | Off Message

Bernie's Golden Parachute

The ad features footage of Sanders speaking at New Hampshire's St. Anselm College in April, criticizing corporate leaders for outsourcing American jobs and then benefiting from tax breaks and "getting golden parachutes."

"What Bernie won't tell you is that he and his wife, former Burlington College president Jane Sanders, got a golden parachute of their own," the ad's narrator says. "That's right. When she left the faltering and cash-strapped Burlington College in 2012, she took a \$200,000 golden parachute with her."

The narrator later calls on viewers to call the senator "and tell him to give back the golden parachute."

During her seven years at the helm of Burlington College, O'Meara Sanders negotiated the \$10 million purchase of a 32-acre property on North Avenue that formerly served as headquarters to the Catholic diocese. As *Seven Days'* Shay Totten **reported at the time**, O'Meara Sanders' departure **was prompted by concerns from the college's board of trustees** that her fundraising was not keeping pace with the college's newfound debt load.

Burlington College has since defaulted on a loan it took out to finance the deal, **as *Seven Days'* Alicia Freese reported last month**.

O'Meara Sanders did not immediately return a call seeking comment Wednesday afternoon.

Vallee says his interest in the matter stems from a desire to see the Sanders family come to the assistance of the struggling institution.

"The focus of the ad is to encourage Bernie to give the money back to Burlington College because they really need it," Vallee says. "The number is 800-339-9834. Vermonters can call Bernie's office and encourage him to do the right thing. Do you want the number again? It's in the ad, in case you missed it. It's 800-339-9834."

But the two have a long and acrimonious relationship that has more to do with gasoline prices than higher education.

Sanders has repeatedly criticized Vallee for prices his customers pay at Chittenden County Mobil stations. He has also accused Vallee, who owns the Maplefields chain, of using the environmental courts to block Costco from selling gas next door to a Colchester Maplefields.

Vallee responded in December 2012 **by producing and then airing** ads accusing Sanders of siding with powerful corporations over the environment. In April 2013, Vallee **sponsored another ad** criticizing Sanders' support for industrial wind development.

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Sanders Nemesis to Air TV Ad Bashing Wife's "Golden Parachute" | Off Message

In his response to Vallee's latest ad, Sanders' spokesman reiterated the senator's complaints about the gas dealer's business practices.

"What this is all about is not complicated. Skip Vallee has ripped off customers for years at his Burlington-area gas stations that sell the highest-priced gas anywhere in Vermont," Briggs said. "As of Monday, his gas stations in the Burlington area were charging 25 cents more a gallon than his station in Middlebury. His padded profit margins consistently have put northwestern Vermont among the most expensive places in all of America to buy gas."

According to Briggs, "Vallee clearly doesn't like it that Bernie has exposed his ripoffs. He clearly doesn't like it that other Vermont leaders are joining Bernie's calls for real competition. So instead of treating his Vermont customers fairly, this junior varsity version of the Koch brothers is dipping into his fortune to bankroll a smear-ad campaign. How pathetic."

Given Sanders' recent travels, does Vallee intend to air his ad in early presidential primary and caucus states?

"I think it would be fun to run in Iowa and New Hampshire, but the purpose of the ads is to encourage Vermonters to ask Bernie to give the money back," Vallee says.

Tags: Senator, Bernie Sanders, U.S. Senate, elections, Skip Vallee, Presidential Campaign, environment, Image, Recommended Reading, Video

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Oil Baron Seeks Sanders Aide's Testimony in Price-Fixing Suit

by Paul Heintz

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Exhibit O

STATE OF VERMONT
SUPERIOR COURT CIVIL DIVISION
Chittenden Unit Docket No.: 617-6-15 Cncv

JACOB R. KENT, ANNE B. VERA,)
THOMAS R. MAHAR and DAWN M.)
MAHAR, DAVID C. CARTER and)
BARBARA CARTER, and all others)
similarly situated,)
Plaintiffs,)
)
vs.)
)
R.L. VALLEE, INC., SB COLLINS,)
INC., WESCO, INC., and CHAMPLAIN)
OIL COMPANY, INC.)
Defendants.)

DEPOSITION OF RYAN KRIGER
taken on November 29, 2018, at 2:05
at the offices of Downs Rachlin
Martin, Burlington, Vermont.

APPEARANCES:

JOHN RODDY, ESQ., of the firm of Bailey Glasser,
99 High Street, Boston, Massachusetts, (and)
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MARY G. BOUCHARD, ESQ., of the firm of Sheehey,
Furlong & Behm, Burlington, Vermont, on behalf of
SB Collins;

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1 (Appearances continued)

2 DANIEL MARTIN, ESQ., of the firm of Gravel & Shea,
Burlington, Vermont, on behalf of Champlain Oil;

3
4 TRISTRAM J. COFFIN, ESQ., EVAN J. O'BRIEN, ESQ.,
of the firm of Downs Rachlin Martin, Burlington,
Vermont, on behalf of R.L. Vallee;

5
6 KATE GALLAGHER, ESQ., of the Vermont Attorney
General's Office, Montpelier, Vermont, on behalf
of the witness.

7

8

9

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* * *

IT IS HEREBY STIPULATED BY AND BETWEEN THE
PARTIES that the notice of the deposition is
waived; that all objections except as to form
are reserved until the time of trial; that
the deposition may be signed before any
Notary Public.

* * *

1 A. The last page I'm not -- I don't know
2 that I am on this one.

3 Q. I think that one --

4 A. Attached to one of these emails.

5 Q. I thought that was part of this
6 chain?

7 A. It may have been where you attach an
8 email to the thing.

9 Q. It could be; and I won't quibble with
10 that; not sure I will even ask you about that
11 one. Let's talk about the one on the first
12 page.

13 You have received an email from Dan
14 McLean, on September 17th, 2014, which
15 states, "Ryan. I worked with you on gas
16 prices back in 2012, correct? I have some
17 ideas on how you can get some pricing data
18 that the AG said he was looking for. Dan."

19 You respond, same afternoon, "Let's
20 talk tomorrow. Ryan", right? Do you know
21 Dan McLean?

22 A. Yeah. I worked with him on, you
23 know, on gas pricing issues.

24 Q. Had you dealt with him on gas pricing
25 issues since two years earlier, in 2012?

1 A. So I don't have a recollection of
2 that. I may have. Again, because in going
3 through the documents, trying to refresh my
4 memory, there were things that happened in
5 2012, '13, '14, '15, and it all rushes
6 together, honestly. So I have been trying to
7 go by the emails, to try to figure out what
8 was happening when.

9 Q. Yep.

10 A. So it is possible that Dan McLean was
11 working with different lawyer in my office in
12 2012. It is possible he was working with me,
13 and I forgot.

14 Q. You don't have memory of him, working
15 with him?

16 A. Correct.

17 Q. But in any event, you hadn't dealt
18 with him between 2012 and two years later, in
19 2014, is that correct?

20 A. Not that I recall.

21 Q. So this reconnection with you from
22 Senator Sanders' staff was a little bit out
23 of the blue?

24 A. Assuming that this is the first, you
25 know, this September 17th, 2014, 1:17 p.m. is

1 the first Dan McLean email that got to me in
2 that time. There is no earlier email that
3 isn't in the production; yes, I am going
4 solely off this email.

5 Q. You make that point in the forwarding
6 of the email to you. And your response would
7 indicate that there wasn't some ongoing
8 relationship and communication with him about
9 gas prices, is that correct?

10 A. Correct.

11 Q. So kind of sounds like that the first
12 time he is talking about gas prices since
13 2012 is this email in September 17th, 2014?

14 A. That would be what it appears to be,
15 yes.

16 Q. Then you have some exchange that is
17 on the next few pages. And ultimately, you
18 know, the Senator -- wants you to come meet
19 with the Senator at some point, in an email
20 on September 22nd, down at the bottom of the
21 next page, and you set up for a meeting for
22 the next week. Is that correct?

23 A. Yes.

24 Q. And do you recall meeting with
25 Senator Sanders about this?

1 A. I do.

2 Q. And what did he say to you and what
3 did you say to him?

4 A. You have produced that page of my
5 notes?

6 MS. GALLAGHER: I did.

7 A. So I have some recollection, and I
8 used -- went back through my documents to
9 prepare for this, and I found a page of notes
10 to help. Would it help to have that in front
11 of us, while we are doing this?

12 Q. Let me pull it up here.

13 (Reporter marks Exhibit 9.)

14 (An off-the-record discussion was held.)

15 A. Based on my search, it was only a
16 single page of notes with regard to this.

17 Q. So tell me about the conversation
18 that you can recall, refreshed by your notes?

19 A. Yes. Senator Sanders was very
20 concerned about gas pricing in Chittenden
21 County and that area, and he wanted to
22 discuss with my office what could be done to
23 help alleviate the problem. And the
24 conversation itself was kind of spitballing;
25 it was brainstorming; you know, What can we

1 do.

2 One thing that I recall from even
3 before reading this, then I saw that I wrote
4 it down was, he was very concerned that the
5 inability of government to address this issue
6 might erode people's faith in government to
7 solve problems. So he was trying to impress
8 upon us the need for us to do something about
9 this problem.

10 Q. Okay. Did he mention Costco?

11 A. Costco came up in the conversation.

12 Q. Because you wrote it in your notes
13 here?

14 A. Yes.

15 Q. Did he mention Wal-Mart?

16 A. We were talking about mavericks. So
17 whether he brought it up or I brought it up
18 or Dan McLean brought it up, these were
19 examples we were throwing around of, you
20 know, what could break the oligopoly. These
21 were examples that were kind of thrown out.

22 Q. And you don't remember whether he
23 suggested those examples or you suggested
24 those?

25 A. Or Dan McLean. Dan McLean was very

1 deeply --

2 Q. ' Actively involved?

3 A. Yes.

4 Q. And he mentioned Plainfield.

5 A. It was mentioned, yes. That wouldn't
6 have been me; but either Dan McLean. That
7 one could have even been Wendy who mentioned
8 that.

9 Q. With pumps and biofuel?

10 A. Yes. Honestly, I'm not 100 percent
11 sure what that is referring to; unless that
12 was -- there was a separate issue that had
13 been mentioned about some gas station buying
14 another gas station, and shutting it down;
15 that might have been the Plainfield matter.

16 Q. And underneath, the next line, next
17 entry below that is, "Vallee - other", what
18 is that?

19 A. Appeals.

20 Q. Other appeals available.

21 A. Right.

22 Q. Okay. Did either Senator Sanders or
23 Senator McLean discuss the activities of Skip
24 Vallee or R.L. Vallee, in connection with
25 your conversation about gas pricing?

1 A. That would have been in the context
2 of discussing getting a maverick, such as
3 Costco. And the reason Costco had not come
4 in was because, as I understood it, R.L.
5 Vallee had been engaging in Act 250
6 challenges.

7 So the question would have been, well,
8 is this going to be wrapped up soon, in which
9 case maybe Costco will come in and our
10 problem will fix itself. So are there other
11 appeals available. And that was, what, 2014.

12 Q. And Wal-Mart, did he mention anything
13 about Vallee, with regard to Wal-Mart?

14 A. I don't recall that.

15 Q. Are you aware that Vallee has a
16 fairly well-publicized series of disputes
17 with Wal-Mart?

18 A. You are jarring my recollection; so
19 maybe that was talked about, but I don't have
20 a direct.

21 Q. You don't have a precise recollection
22 about that?

23 A. Yes.

24 Q. But sounds like that could be a
25 possibility?

1 A. Could be a possibility.

2 Q. And Plainfield. Did he discuss
3 Vallee in connection with Plainfield, and
4 perhaps the supposed shutting down of a gas
5 station, and that kind of thing; and biofuel
6 and pumps?

7 A. Was that Vallee involved in that?
8 There was a gas station owner who acquired a
9 pump and shut it down. And I think I recall
10 Wendy, who lived in the area, saying at that
11 point something like, No, that station was
12 going to -- like no one went to that station,
13 anyway; there is no there, there. And that
14 was the end of that.

15 Q. Do you recall Senator Sanders and/or
16 Dan McLean discussing that situation in
17 context, and being critical of that, with
18 regard to Skip Vallee or R.L. Vallee?

19 A. I have no recollection as to who the
20 gas station buyer would have been. Maybe it
21 was Vallee; maybe it was someone else.

22 Q. But that Plainfield station and
23 pumps and biofuel came up in your
24 conversation with Senator Sanders and Dan
25 McLean as number 3 in a list below Costco and

1 Wal-Mart, and just above another entry in
2 your list that discusses Vallee specifically,
3 correct?

4 A. Yeah; based on the notes, yes.

5 Q. Now, on September 17th, when you
6 received this email from Dan McLean, asking
7 to provide you information on gas pricing for
8 the first time in a couple of years, were you
9 aware that a ad critical of Senator Sanders,
10 run by Skip Vallee, was reported on in the
11 newspaper that day? September 17th, 2014?
12 Did that register with you?

13 A. I do have a recollection about
14 hearing about that ad. I don't know that I
15 connect it with this particular conversation,
16 but if they happened the same day.

17 Q. Do you remember this golden parachute
18 ad; had something to do with Jane Sanders,
19 and her leaving Burlington College; do you
20 remember that ad that was running?

21 A. That, I don't. I know the Jane
22 Sanders controversy that has been coming up,
23 but I don't recall the actual content.

24 Q. You don't recall knowing about that
25 at the time that you received this?

1 A. I don't think so, no.

2 Q. And as a prosecutor, what are the
3 issues involved with talking to politicians,
4 and taking their suggestions or guidance in
5 deciding whether to do investigations or
6 bring enforcement activities, or pass
7 legislation to scrutinize other citizens?

8 MS. GALLAGHER: Objection.

9 A. So Vermont is small. The Vermont
10 Attorney General's office is small.

11 Q. I know. I wouldn't say I have lived
12 here all my life, but I'm getting there.

13 A. We take -- we have the Consumer
14 Assistance Program, which takes in
15 compliance; but putting that aside, if we
16 receive a serious allegations from any
17 source, we generally take them seriously.

18 Full disclosure: if a legislator,
19 state, federal, calls us, we take those
20 particularly seriously. We are not going to
21 -- certainly never going to blow off a
22 legislator.

23 If we received a really kooky
24 allegation from a citizen, we might not put
25 as much effort towards those as if we receive

1 a kooky allegation from a Senator. We have
2 to show respect.

3 Q. But am I correct that it's unusual
4 for -- I worked for one of our State
5 Senators, and I know his practice pretty
6 well, and feel pretty confident that he would
7 not be having a meeting with a prosecuting
8 body about targeting a particular
9 constituent. Was this meeting with Senator
10 Sanders unusual?

11 MR. RODDY: Objection.

12 MS. GALLAGHER: Objection.

13 A. First, this is not about targeting a
14 constituent, this is about gas prices in
15 Champlain county.

16 Q. Do you recall him mentioning anybody
17 else in this conversation by name, other than
18 Vallee?

19 A. First off, we may have been referring
20 to R.L. Vallee, not Skip Vallee; the company.

21 Q. It's possible.

22 A. I mean, the fact is that, I can't say
23 the fact is, I don't know objective, but
24 antitrust and economic theory would say that
25 if Costco were able to open its pumps, that

1 would lower the price of gas in Chittenden
2 County, and potentially solve the problem
3 which has been worrying politicians and
4 citizens alike for the last decade. And the
5 reason why those pumps have not been able to
6 open, as far as I know, is because of this
7 Act 250 challenge by R.L. Vallee.

8 Q. But you are not saying Act 250 isn't
9 an important process, that is well-known, and
10 citizens have a right to pursue here? And
11 obviously, the Attorney General's office
12 isn't against Act 250?

13 A. I don't know that our position on Act
14 250 or my position -- first off, I have no
15 idea what the A.G.'s position is on Act 250,
16 one way or the other. I don't know that it
17 is relevant to where we sit here.

18 Q. But I don't mean to be
19 argumentative. My point is, just because it
20 is taking a while to go through the Act 250
21 process isn't something that should be held
22 against R.L. Vallee?

23 A. My point is that any discussion of
24 the price of gas in Chittenden County must
25 necessarily include a discussion of Costco,

1 which must necessarily include a discussion
2 of R.L. Vallee.

3 Q. Are there any other gas distributors
4 who are mentioned by name in your notes?

5 A. No.

6 Q. Are there any other people who are
7 mentioned by name, in your notes?

8 A. Again, I don't know that that was a
9 reference to a person or a company. So there
10 are -- other than the attendees of the
11 meeting, those are the only people.

12 Q. So that appears, based on your notes,
13 anyway, to be the only company or person that
14 was mentioned in your conversation with
15 Senator Sanders about gas prices?

16 A. Yes.

17 (An off-the-record discussion was held.)

18 (3:37 p.m., a recess was taken.

19 3:42 p.m., deposition resumed.)

20

21 BY MR. COFFIN:

22 Q. Directing your attention back to
23 Exhibit 9, which is your handwritten notes
24 from the meeting. You have a Senator Sanders
25 and Dan McLean?

1 A. Yes.

2 Q. Looking down under the -- under,
3 "Costco, Wal-Mart, Plainfield - pumps,
4 Plainfield biofuel, Vallee, other appeals
5 available". Then there is a couple of other
6 entries. But the one next to that says,
7 "bring case just to make a point." Is that
8 what that says?

9 A. Yep.

10 Q. Did you suggest that you bring a case
11 just to make a point?

12 A. I did not.

13 Q. Did Wendy Morgan suggest that you
14 bring a case just to make a point?

15 A. I do not think she is -- I think that
16 this was a paraphrase.

17 Q. Okay.

18 A. Okay.

19 Q. The paraphrase of a statement,
20 nonetheless was, bring case just to make a
21 point. And you are saying that you didn't
22 make that statement, nor did Wendy Morgan.
23 Is that correct?

24 A. Yes.

25 Q. That would leave Senator Sanders or

1 Dan McLean. Do you see that?

2 A. Yes.

3 Q. To the best of your recollection, who
4 is the one who is saying to bring a case just
5 to make a point, or were they both saying it?

6 A. I really have been trying to recall
7 the conversation that led to this note. And
8 I have been trying to recall it prior to
9 coming here, when I was reviewing my notes.
10 As I recall the conversation, it was
11 centering around, we have to do something.
12 It was in the context of spitballing and
13 brainstorming. I don't know if it was
14 proposed seriously; I don't think that there
15 was any strong conversation around, you know,
16 You should do this, you know; no, we can't do
17 this; anything like that.

18 Q. But as you said, one of the things
19 that your office pays attention to is when a
20 legislator, and especially a United States
21 Senator, impresses upon you the importance of
22 a particular investigation or litigative
23 action?

24 MR. RODDY: Objection.

25 MS. GALLAGHER: Objection.

1 A. I don't think that is a
2 characterization of what I said. I said we
3 take anyone seriously.

4 Q. But didn't you say that you
5 certainly take more seriously legislators,
6 and particularly a United States Senator? I
7 don't want to put words in your mouth.

8 A. I did not say particularly United
9 States Senator.

10 I mean, frankly, a State Senator
11 would probably have -- we are the State, so
12 the Congressional delegation doesn't have
13 that much to do with us, you know, generally.
14 But what I want to say is that I think that
15 this was certainly an idea that was thrown
16 out there.

17 I cannot recall whether this would
18 have been Sanders or McLean who suggested
19 this. I definitely wrote it down. I don't
20 think we ever gave it any serious
21 consideration, that we would do anything like
22 that.

23 Q. Of course not, because that is not
24 what you do. You don't bring cases to make a
25 point; you bring cases to pursue justice,

1 right?

2 A. Correct.

3 Q. And you noted it because it was a
4 notable thing for a public official to be
5 saying, in a meeting like that, frankly;
6 probably that is why you noted it.

7 MS. GALLAGHER: Objection.

8 A. Again, Sanders or McLean, I'm not
9 recalling which one suggested that.

10 Q. But it was a notable thing?

11 A. Yes.

12 Q. For a -- either a United States
13 Senator or a senior staff person of the
14 United States Senator to be saying in a
15 meeting with law enforcement?

16 A. Yes.

17 Q. And so you noted it?

18 A. Yes. And I think that we were --
19 like I said, we were spitballing.

20 I think that around that time -- when
21 was this? 2014? Yes. Around that time, we
22 brought a case against a company called MPHJ,
23 which was a patent troll, and we brought a
24 case under our Consumer Protection Act. We
25 were the only Attorney General's office ever

1 obligations, under the rules of professional
2 conduct.

3 Q. Fair enough. But --

4 A. Are you asking, are the motivations
5 different?

6 Q. No. I'm asking, the job of the
7 prosecutor is to seek justice, and to -- has
8 constitutional obligations that I don't think
9 necessarily apply, or are generally
10 interpreted as applying to private
11 litigators.

12 A. Are you asking my opinion on the
13 distinction between the roles?

14 Q. Yes.

15 A. Okay.

16 Q. You have served in both roles?

17 A. I have. And that is why I am -- when
18 I worked in private practice, we frequently
19 brought lawsuits that could have been brought
20 by a State's Attorney General.

21 You know, we -- I worked on a price
22 fixing conspiracy involving -- that involved
23 a lot of Florida cases, and Florida AG could
24 have been involved in that one. So in my
25 experience class action attorneys, we would

1 refer to ourselves as private Attorney
2 Generals. They do things out of an ethical
3 desire to be on the right side of the V, as
4 they would refer to it.

5 Q. But strictly speaking, a prosecutor
6 has an ethical duty to not necessarily just
7 win the case, but to see that justice is
8 done. And that carries with it important
9 constitutional responsibilities that are
10 typically more implied in the criminal realm,
11 but also carry over to a civil case, where
12 you are seeking things like treble damages,
13 like the ethical obligation to turn over
14 exculpatory evidence. Don't you see a
15 distinction between how a public prosecutor
16 in Vermont A.G.'s office needs to approach
17 this case, versus a private class action
18 attorney?

19 MS. GALLAGHER: Objection.

20 MR. RODDY: Objection.

21 A. The answer is yes.

22 When I was sworn in, Attorney General
23 Sorrell said to me, You are not a zealous
24 advocate. You do not win at all costs. We
25 protect the public, and often the respondent

1 is a member of the public that we are here to
2 protect.

3 I think that zealous advocacies
4 generally has kind of gone by the wayside
5 ethically, in a lot of cases. I think some
6 states have taken it out entirely.

7 So I'm not going to say class action
8 attorneys are zealous, versus not; but their
9 incentive is to win the case; our incentive
10 is to do the just thing; and often there is
11 overlap between the two.

12 Q. When you were at Wilburg, Weiss, for
13 example, and Labaton, and your firm,
14 excellent firms, would win class action
15 cases, sometimes those recoveries would be in
16 the tens or even hundreds of millions of
17 dollars that would go to the attorneys, isn't
18 that correct?

19 A. That is the business model, yes.

20 Q. And the business model for Assistant
21 Attorney Generals in the State of Vermont is
22 you get paid whatever you get paid,
23 regardless of whether the case is won or
24 lost, which gives you less incentive to do
25 something that is not, strictly speaking,

Exhibit P

From: McLean, Daniel (Sanders) <Daniel_McLean@sanders.senate.gov>
Sent: Thursday, January 22, 2015 11:28 AM
To: Kriger, Ryan; 'Ben Brockwell'
Cc: Morgan, Wendy
Subject: Gas Hearing Packet
Attachments: Jan22_15hearing.pdf

This is the packet I'm going to walk the committees through during today's hearing. It includes:

- a Gas Buddy chart, showing the last time Burlington, Vermont and Vermont (statewide average) had a gas price in sync with the national average was in mid-April 2014;
- highlights of the last three weeks of OPIS data;
- today's wholesale "rack" prices at the terminal in Albany, New York and Burlington, Vermont;
- Senate testimony on this subject from OPIS' Ben Brockwell, highlighting the fact that the cost of transporting gasoline adds just a few cents per gallon

From: Kriger, Ryan [mailto:ryan.kriger@state.vt.us]
Sent: Wednesday, January 21, 2015 1:13 PM
To: McLean, Daniel (Sanders)
Cc: Morgan, Wendy
Subject: RE: does 345 work?

It does, will you call us or do we need a dial-in?

Ryan G. Kriger
Assistant Attorney General
Vermont Office of the Attorney General
Public Protection Division
109 State Street
Montpelier, VT 05609-1001
ph: (802) 828-3170
ryan.kriger@state.vt.us

From: McLean, Daniel (Sanders) [mailto:Daniel_McLean@sanders.senate.gov]
Sent: Wednesday, January 21, 2015 12:24 PM
To: Kriger, Ryan; Kriger, Ryan
Subject: does 345 work?
Importance: High

See below. If so, what number should I call. I will connect you and Brockwell for the conf. call.

From: Ben Brockwell [mailto:bbrockwell@oplsnet.com]
Sent: Wednesday, January 21, 2015 12:16 PM
To: McLean, Daniel (Sanders)
Subject: RE: 3:15 p.m. prep call for gas hearing; do you have 5 minutes?
Importance: High

Dan – we have a crude webinar from 2 pm to 3:30 pm so if this could happen at 3:45 to 4 pm that would be better.

From: McLean, Daniel (Sanders) [<mailto:Daniel.McLean@sanders.senate.gov>]

Sent: Wednesday, January 21, 2015 12:13 PM

To: Ben Brockwell

Cc: Ryan Kriger

Subject: 3:15 p.m. prep call for gas hearing; do you have 5 minutes?

Ben: Do you have 5 minutes or so by phone to touch base with Ryan Kriger from the Vermont Attorney General's office. This in preparation for the gas hearing tomorrow. The AG's office had a quick thought or two to run by you.

We were planning to speak by phone at 3:15 p.m. I can tweak that time if another time this afternoon works better. .. Dan

Daniel McLean
Senior Press Advisor
Office of U.S. Senator Bernie Sanders

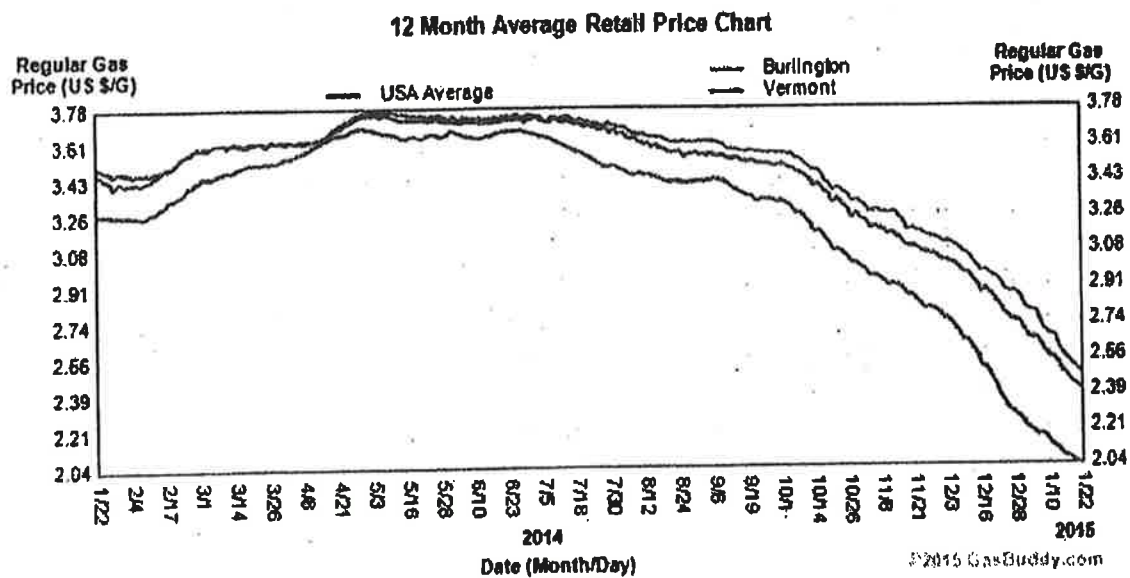
daniel_mclean@sanders.senate.gov

(802) 862-0697 office phone

cell phone

Visit Senator Sanders' Online Resources:

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January 1, 2015

OPIS Retail Fuel Watch

Volume 14 • Issue 1

The Oil Industry's Benchmark For Retail Gasoline And Diesel Prices & Profits

Price War, Pump Margins Top 2014 News

The crude oil price war between OPEC and U.S. shale producers that has chopped prices in half in the second half of 2014, along with robust retail gasoline margins stand out as two important stories in 2014. One might also add the top dollars being commanded by retail stations, oil terminals, and other assets being sold and rolled into Master Limited Partnerships, a trend that will likely continue in 2015.

Behind all of this are structural changes in the fuel slates – the use of alternative fuels – obligating station owners to amend their product offerings to keep abreast of shifting demand, highlighted by efforts to expand ethanol content in gasoline, expand CNG offerings, or make way for more diesel consumption.

The year ends with wholesale gasoline and diesel bulk prices that are unrecognizable from a year ago. Midwest bulk gasoline prices, for example, are at 70-month lows and at \$1.11/gal is a third of the price commanded

during the summer when numbers reached \$3.50/gal.

Retail gasoline prices on a national basis are within 27cts/gal of hitting the \$2/gal mark with prices more than a dollar per gallon cheaper than a year ago. Not one person predicted prices to be this low in 2014. Ironically, no one is predicting 2015 prices to reach the heights seen in 2014 either.

For the year, retail prices in the country dipped about \$1.03/gal, which falls short of the \$1.45/gal plunge in 2008 from January through December.

Nearly a quarter of all the gasoline stations in America currently show retail prices under \$2/gal, according to GasBuddy's weekly GasFacts.

Sheetz to Break 500 Mark for Number of Retail Fuel Stores in 2015

Mid-Atlantic fuel retailer and convenience store operator Sheetz is aiming to break the 500 mark for

Continued on Page 12

12-Week National Fuel Price Trend

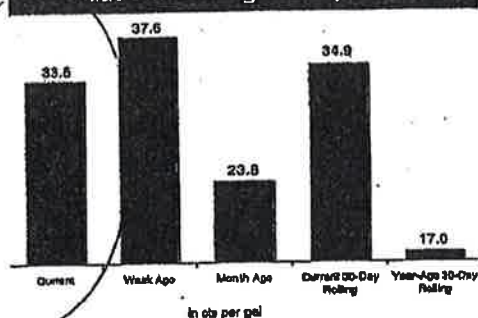
	GASOLINE					DIESEL				
	12W Avg	1W Avg	1M Avg	1Q Avg	1Y Avg	12W Avg	1W Avg	1M Avg	1Q Avg	1Y Avg
10/13	322.5	321.1	325.1	37.0	11.5%	365.9	313.3	309.4	42.9	11.6%
10/20	313.1	260.9	325.9	36.9	11.8%	364.6	308.0	345.0	43.8	11.8%
10/27	306.0	251.8	324.7	31.0	10.3%	361.9	305.3	286.3	39.0	10.8%
11/3	299.6	240.4	321.9	27.3	9.3%	359.0	303.3	276.9	31.5	9.0%
11/10	294.1	244.0	319.3	24.7	8.1%	361.9	306.2	276.7	28.3	7.9%
11/17	290.1	240.1	312.9	27.2	9.4%	363.2	306.5	266.3	40.0	11.0%
11/24	281.7	233.7	287.4	25.8	9.1%	359.9	303.1	261.0	42.3	11.3%
12/1	278.3	228.3	284.4	15.9	6.6%	357.3	300.7	254.5	46.2	13.9%
12/8	269.6	219.9	186.1	33.6	12.5%	351.8	295.4	228.3	67.3	19.1%
12/15	257.8	208.3	170.2	31.1	14.8%	342.7	286.4	207.4	76.6	23.0%
12/22	243.2	193.8	156.2	37.6	15.5%	330.1	274.0	193.7	80.3	24.3%
12/29	230.7	181.4	147.9	33.5	14.5%	310.6	263.7	182.3	76.1	23.9%

Retail = average retail price; Net = retail price less state, federal and local taxes and 1.5 cts/gal for freight; Rack = wholesale cost; Margin = difference between net and rack

State-By-State Rack-To-Retail Gasoline Margins



Gasoline Margin Snapshot



52-Week National Margin Trend



OPIS For more information about OPIS retail products and services, visit <http://www.opisnet.com/retail-fuel-prices.aspx>

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OPIS State By-State Pricing Trends

ST	GASOLINE						DIESEL					
	Retail	Net	Retail	Net	Ratio	Diff	Retail	Net	Retail	Net	Ratio	Diff
AK	311.2	283.0	239.8	43.4	-40.1	-44.5	351.8	317.8	284.5	33.1	-29.6	-40.8
AL	218.8	177.2	144.5	32.7	-42.5	-52.8	311.9	282.4	176.7	85.7	-25.5	-62.2
AR	218.3	176.4	142.5	33.8	-44.1	-56.2	299.5	250.8	181.8	68.8	-43.9	-71.6
AZ	221.4	182.3	157.8	24.6	-50.4	-53.7	308.2	256.2	187.8	69.3	-47.7	-91.6
CA	268.1	204.2	156.5	47.7	-39.3	-53.4	327.4	280.1	186.5	73.6	-41.8	-54.9
CO	223.6	180.3	127.3	53.0	-60.3	-67.7	321.4	273.6	178.1	95.5	-43.3	-93.2
CT	271.3	211.7	163.8	48.1	-41.2	-53.3	352.0	271.4	204.8	88.8	-24.1	-45.8
DE	247.6	202.0	174.1	28.0	-34.7	-47.6	300.8	248.1	201.7	48.5	-32.4	-45.8
FL	240.4	184.7	152.0	32.7	-38.6	-57.9	318.3	268.8	186.6	63.2	-29.0	-58.8
GA	228.8	178.8	154.3	24.5	-42.9	-55.1	313.1	254.7	182.9	72.4	-31.4	-59.6
HI	353.8	288.4	248.0	42.4	-34.4	-46.1	470.2	394.6	300.3	94.4	-9.4	-39.3
IA	211.3	169.2	136.8	32.4	-66.0	-58.0	301.0	251.4	184.5	66.9	-65.0	-77.1
ID	227.2	181.1	143.2	37.9	-78.0	-54.5	328.2	276.1	183.0	93.1	-41.9	-100.8
IL	228.1	168.3	140.5	27.7	-59.5	-64.8	337.5	281.8	182.1	79.7	-40.3	-79.8
IN	206.2	150.1	138.3	13.8	-75.0	-71.9	332.3	288.6	189.6	79.0	-47.9	-90.1
KS	204.5	169.4	134.7	24.7	-60.7	-56.3	288.5	245.4	181.6	63.8	-68.8	-74.9
KY	214.1	162.1	143.3	18.8	-62.6	-58.7	331.0	278.0	182.9	93.1	-32.9	-85.4
LA	216.3	175.3	135.5	39.8	-44.5	-58.5	303.2	256.2	188.2	88.0	-34.1	-64.1
MA	258.7	207.1	163.7	43.5	-37.8	-56.3	325.5	272.9	204.4	68.5	-26.5	-48.8
MD	247.6	199.9	166.6	33.4	-35.3	-48.4	309.4	255.0	198.6	58.4	-31.5	-47.0
ME	249.7	198.2	170.7	27.5	-42.5	-52.9	333.2	275.3	221.8	53.5	-19.4	-36.6
MI	207.6	159.0	134.9	24.1	-81.9	-75.0	338.6	278.4	181.9	96.5	-58.7	-105.8
MN	217.9	169.2	139.7	29.5	-50.8	-54.3	335.4	280.7	197.8	82.9	-57.2	-82.0
MO	198.0	158.8	138.4	20.1	-55.9	-58.7	283.0	248.7	182.4	67.2	-59.2	-75.7
MS	212.8	174.0	142.4	31.6	-42.3	-55.7	288.5	253.9	174.5	79.3	-33.9	-61.4
MT	220.2	181.3	137.4	43.9	-62.8	-69.4	308.0	253.4	188.3	65.2	-62.3	-95.8
NC	238.4	179.6	150.8	28.8	-36.9	-49.2	320.3	257.4	191.3	68.1	-23.5	-51.4
ND	241.3	198.2	139.0	59.2	-48.5	-61.1	360.5	311.4	191.9	119.5	-53.9	-88.6
NE	221.8	174.5	134.8	39.7	-63.2	-59.4	315.4	262.6	184.8	77.9	-57.6	-78.4
NH	247.4	203.5	184.3	39.2	-38.5	-58.0	315.5	265.6	208.0	57.7	-24.8	-44.8
NJ	234.0	189.4	160.6	38.7	-37.2	-54.2	299.2	255.5	201.2	54.3	-26.6	-45.5
NM	214.8	175.9	147.9	28.0	-46.6	-50.5	309.5	260.6	197.5	63.0	-48.5	-80.2
NV	252.7	181.3	155.9	35.4	-46.0	-57.7	318.3	267.9	188.8	69.3	-48.5	-72.3
NY	282.6	216.5	166.7	49.7	-35.5	-52.8	380.0	286.8	205.4	81.2	-19.4	-48.3
OH	206.6	157.6	140.7	16.9	-73.8	-70.6	338.8	281.3	186.1	95.2	-40.2	-87.8
OK	199.8	162.8	134.0	28.8	-58.5	-56.8	281.7	241.5	180.1	61.5	-64.6	-74.2
OR	256.7	205.6	151.8	53.8	-48.2	-58.7	310.5	254.0	187.3	66.7	-49.4	-58.1
PA	280.3	198.4	163.8	34.6	-35.5	-58.3	340.3	283.2	202.2	61.0	-24.3	-54.3
RI	255.0	201.8	164.5	37.3	-40.1	-57.1	321.2	261.8	201.4	60.6	-29.5	-48.0
SC	214.1	177.3	153.8	23.5	-41.2	-50.8	306.5	263.7	190.3	73.4	-25.6	-55.2
SD	222.1	178.0	135.8	42.4	-56.4	-58.4	312.6	262.5	191.1	71.5	-70.2	-78.7
TN	214.9	173.4	141.7	31.7	-43.8	-57.6	309.3	264.8	176.8	87.9	-32.2	-78.7
TX	207.6	167.3	138.9	30.5	-49.8	-58.3	305.9	259.6	177.3	82.4	-33.9	-72.6
UT	239.1	184.0	134.0	60.0	-58.7	-58.6	326.1	275.0	189.6	105.4	-38.2	-112.5
VA	221.8	189.2	155.3	33.9	-41.4	-50.8	310.5	262.4	186.3	76.1	-27.5	-56.0
VT	275.1	222.2	168.6	53.6	-30.4	-50.8	343.2	285.1	212.6	72.5	-16.6	-43.6
WA	259.1	199.6	146.8	52.8	-48.6	-62.4	325.5	259.5	189.7	69.8	-44.4	-81.7
WI	229.3	176.4	141.5	34.8	-52.5	-60.2	322.8	263.6	184.6	79.0	-62.8	-93.7
WV	249.0	183.2	147.0	46.2	-41.6	-63.2	349.1	287.3	187.3	100.0	-28.8	-84.4
WY	248.1	204.0	131.0	73.0	-52.6	-75.2	339.9	289.8	200.1	89.7	-37.3	-98.0

Current retail average based on reconciled credit card transactions received by OPIS from the 7-day period between the previous Tuesday through the most recent Monday. Due to the way credit card receipts are reconciled, a few additional transactions may be received for the dates that already comprise the current weekly average. Minor fluctuations in the actual average may occur as a result. Rack averages are based on the daily OPIS average for the individual stations during the time period for the appropriate product sold at the station. Branded stations are matched to the appropriate suppliers at the closest rack. If we are unable to match a brand to a supplier, we use the branded average price from the closest rack. All retail brands determined to be unbranded use the unbranded average price at the closest rack. All prices are for regular unleaded gasoline or diesel only and are in cents per gallon.

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OPIS Best & Worst Markets To Sell & Supply Fuel

Most Profitable Markets To Sell & Supply Gasoline (Current Week)						Monthly Retail	Monthly Rack
Rank	Metro	Retail	Net	Rack	Margin	Change	Change
1	Casper WY	253.8	209.7	128.5	81.2	-42.8	-70.7
2	Washington (DC Only)	271.0	227.4	157.8	89.8	-32.4	-47.8
3	Rapid City SD	240.1	196.0	127.1	88.9	-56.4	-88.7
4	Bismarck ND	255.7	212.5	143.8	88.8	-37.1	-58.3
5	Burlington VT	288.0	235.1	189.2	65.9	-26.6	-50.6
6	San Francisco CA	285.3	218.8	155.1	64.5	-38.5	-52.1
7	San Luis Obispo CA	285.1	221.7	157.2	64.5	-35.1	-53.5
8	Seattle-Bellevue-Everett WA	272.0	212.4	148.5	83.9	-41.7	-58.7
9	Greeley CO	231.4	188.1	124.7	63.4	-58.3	-88.7
10	Salt Lake City-Ogden UT	237.1	192.0	133.1	59.0	-54.5	-58.8

Least Profitable Markets To Sell & Supply Gasoline (Current Week)						Monthly Retail	Monthly Rack
Rank	Metro	Retail	Net	Rack	Margin	Change	Change
1	Lubbock TX	191.7	161.4	152.3	-0.8	-53.1	-48.8
2	Savannah GA	225.8	175.2	175.1	0.1	-45.0	-45.4
3	Lafayette IN	191.6	135.5	134.4	1.2	-86.2	-78.2
4	Albany GA	203.5	153.2	145.3	7.9	-51.0	-54.5
5	El Paso TX	204.4	164.2	155.5	8.7	-47.5	-43.4
6	Louisville KY (KY Only)	213.0	161.0	152.2	8.8	-63.6	-51.5
7	Grand Rapids-Muskegon MI	184.7	147.9	138.9	9.0	-88.0	-76.7
8	Columbus OH	198.0	150.0	140.9	9.0	-80.1	-70.0
9	Phoenix-Mesa AZ	208.8	170.8	161.4	9.3	-54.5	-51.8
10	Muncie IN	199.4	143.4	133.8	9.6	-76.9	-72.6

Most Profitable Markets To Sell & Supply Diesel (Current Week)						Monthly Retail	Monthly Rack
Rank	Metro	Retail	Net	Rack	Margin	Change	Change
1	Washington (DC Only)	343.3	293.7	181.4	112.2	-22.8	-58.4
2	Louisville KY (KY Only)	347.3	292.3	182.2	110.2	-19.8	-66.5
3	Cincinnati OH (OH Only)	348.7	284.4	184.7	109.6	-27.4	-83.3
4	Greeley CO	329.9	282.1	174.4	107.7	-35.9	-83.2
5	Salt Lake City-Ogden UT	324.9	273.8	166.8	106.9	-37.1	-115.9
6	Jackson MI	346.9	286.2	180.4	105.8	-53.4	-103.0
7	San Francisco CA	381.4	289.3	183.6	105.6	-32.3	-52.9
8	Toledo OH	338.3	283.0	178.5	104.5	-41.5	-101.9
9	Provo-Orem UT	321.8	270.7	168.4	104.3	-32.3	-116.0
10	Ann Arbor MI	344.4	283.9	180.1	103.7	-52.8	-103.6

Least Profitable Markets To Sell & Supply Diesel (Current Week)						Monthly Retail	Monthly Rack
Rank	Metro	Retail	Net	Rack	Margin	Change	Change
1	Anchorage AK	342.4	308.2	280.5	27.7	-29.3	-41.1
2	Vineland-Millville-Bridgeton NJ	282.5	238.8	202.3	36.6	-33.7	-47.8
3	Fort Wayne IN	296.8	235.3	193.5	41.7	-79.2	-91.2
4	York PA	327.1	250.0	205.2	44.8	-28.3	-42.8
5	Florence AL	282.9	231.7	185.4	46.3	-42.5	-57.2
6	Harrisburg-Lebanon PA	328.7	252.6	204.9	47.7	-24.4	-43.6
7	Lancaster PA	330.6	253.5	205.5	48.0	-23.0	-42.3
8	Fayetteville-Rogers AR	280.2	231.3	183.3	48.0	-66.4	-74.8
9	Des Moines IA	283.9	234.3	184.9	49.4	-69.3	-75.3
10	Augusta-Aiken (SC Only)	281.4	238.6	189.2	49.5	-32.2	-61.4



Current = 7-day period between 12/23/14 and 12/28/14
 Week Ago = 7 day period between 12/16/14 and 12/22/14
 Month Ago = 7 day period between 11/25/14 and 12/01/14
 Net = The retail average less federal, state and local taxes plus 1.5 cts per gal for freight

Prices Between
 12/23/14 and
 12/29/14

Top 10 Best Earning Brands

Rank	Brand	Current	Week Ago	Month Ago	Net	Current	Week Ago	Month Ago	Net	Current	Week Ago	Month Ago	Net
1	Stewart's	247	281.0	216.2	160.5	49.5	52.1	28.7	47.2	11.4	-31.2	-63.2	
2	Mobil	1,424	270.8	214.7	165.3	48.5	51.5	33.2	48.2	22.3	-58.9	-59.4	
3	Goody	160	266.3	208.8	161.5	47.3	51.4	30.5	47.5	21.5	-38.3	-63.0	
4	Go Mart	104	244.7	189.9	142.9	47.0	50.1	22.8	44.0	17.5	-40.1	-64.2	
5	Lukoil	267	250.5	205.4	159.6	46.0	48.7	28.4	44.7	27.7	-34.8	-54.3	
6	Shell	2,117	254.2	208.8	160.8	46.0	47.3	31.0	44.8	28.6	-38.2	-52.5	
7	Sunoco	2,882	252.1	208.7	161.9	44.8	45.8	25.9	42.8	21.0	-38.0	-54.4	
8	BP	1,402	253.2	202.9	158.4	44.5	47.4	28.2	43.9	23.2	-37.5	-53.5	
9	Fairstar	43	280.7	214.9	170.0	44.1	44.6	19.6	38.6	11.0	-30.3	-53.6	
10	Tops	58	284.4	218.2	174.5	43.8	48.0	22.1	40.1	7.2	-34.4	-54.6	
Lowest	Costco	50	223.4	170.9	164.9	12.0	15.5	2.5	14.9	3.4	-44.0	-52.8	
	Market	24,489	253.9	202.8	162.7	40.1	42.9	23.3	38.5	16.9	-37.8	-53.8	

Top 10 Best Earning Metro Markets

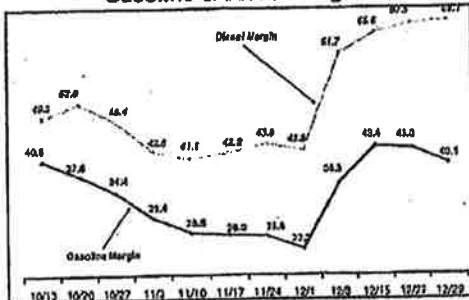
Rank	Metro Market	Current	Week Ago	Month Ago	Net	Current	Week Ago	Month Ago	Net	Current	Week Ago	Month Ago	Net
1	Washington (DC Only)	108	271.0	227.4	157.8	69.8	69.9	64.3	58.1	42.2	-32.4	-47.8	
2	Burlington, NC	160	268.0	235.1	169.2	65.9	67.1	41.8	52.0	23.0	-28.6	-50.5	
3	Barnstable-Yarmouth MA	114	267.3	220.7	182.7	57.8	61.4	40.4	57.0	20.0	-39.8	-57.3	
4	New York NY	1131	287.1	220.0	163.3	56.7	60.2	41.5	58.8	28.8	-38.7	-52.5	
5	Rochester NY	410	288.4	222.7	168.6	58.1	67.2	30.0	50.8	15.3	-30.3	-55.3	
6	Bridgeport CT	289	278.8	219.2	183.2	58.0	60.4	42.8	57.0	27.1	-44.4	-53.0	
7	Glens Falls NY	58	260.9	217.8	164.1	53.7	55.5	28.2	49.5	16.0	-27.0	-51.8	
8	Dutchess County NY	130	283.9	217.8	164.8	53.0	54.9	37.1	51.7	23.4	-38.2	-53.0	
9	Charlottesville VA	71	225.4	194.8	141.9	52.7	53.6	34.6	48.4	26.0	-38.5	-68.8	
10	Johnson City-Kingsport VA	80	224.3	192.5	141.8	50.7	50.3	30.7	46.7	22.7	-37.9	-57.8	

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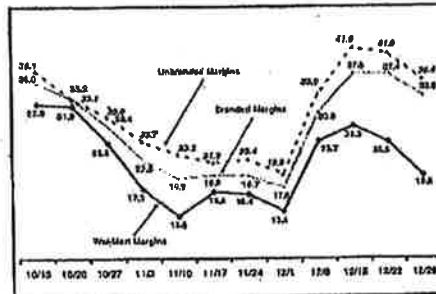
Top 10 Worst Earning Metro Markets

Rank	Metro Market	Current	Week Ago	Month Ago	Net	Current	Week Ago	Month Ago	Net	Current	Week Ago	Month Ago	Net
1	York PA	138	245.1	183.2	168.7	14.6	16.7	10.0	19.5	7.2	-47.8	-52.5	
2	Wilmington-Newark DE (MD Only)	38	243.3	195.8	178.7	18.9	25.5	8.6	20.9	14.4	-35.4	-47.5	
3	Lancaster PA	163	245.6	188.9	167.0	20.0	25.3	8.6	22.9	14.1	-38.7	-50.0	
4	Parkersburg-Marietta (WV Only)	48	218.2	162.5	142.5	20.0	18.9	21.6	25.2	12.8	-70.7	-69.1	
5	Erie PA	107	252.4	190.5	168.8	20.7	15.5	-15.6	9.9	-91.8	-34.2	-71.1	
6	Harrisburg-Lebanon PA	277	251.2	189.3	167.2	22.2	20.4	10.2	23.8	14.8	-40.9	-52.6	
7	Bangor ME	134	248.0	190.5	173.8	22.8	25.0	13.3	25.4	14.0	-43.1	-62.4	
8	Richmond-Petersburg VA	530	214.5	162.7	158.5	24.2	27.5	15.6	26.7	22.5	-41.5	-50.2	
9	Norfolk-Virginia Beach (VA Only)	605	224.9	193.1	168.3	24.6	25.9	19.0	27.1	23.1	-41.9	-47.7	
10	Vineland-Millville-Bridgeton NJ	47	223.9	188.7	163.6	25.0	32.0	18.1	29.6	16.0	-45.5	-52.4	

12-Week Northeast Gasoline & Diesel Margins



12-Week Wal-Mart Watch



Northeast Regional Fuel Marketer Profitability Index is published bi-monthly as a supplement to OPIS Retail Fuel Watch by UCG, Two Washington Center, 9737 Washington Blvd., Suite 200, Gaithersburg, MD 20878-7364. UCG chief executive officers: Bruce Levenson, Ed Paszkowicz. © 2015. Reproduction without permission is prohibited. Circulation Office: 301-287-2525 Fax: 301-287-2039 Editorial: 800-275-0930 Staff: Brian Crotty, Ben Brookwell, Fred Rozell and Stephanie Newton. Postmaster: Send address changes to OPIS Retail Fuel Watch, Two Washington Center, 9737 Washington Blvd., Suite 200, Gaithersburg, MD 20878-7364.

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January 8, 2015

OPIS Retail Fuel Watch

Volume 14 • Issue 1

The Oil Industry's Benchmark For Retail Gasoline And Diesel Prices & Profits

Gasoline Price Descent Magnifies

A look at data over a couple of decades reveals that U.S. gasoline prices typically hit their winter trough during the first week of December. From the winter price trough numbers then begin an gradual ascent rising an average of 50% to reach a typical April peak

Prices for the winter of 2014-2015 are not conforming to this pattern. In fact, the market is already a month past its typical time frame for hitting a bottom. In that month alone (1st week in December until now) gasoline prices have tumbled almost 30% or in excess of 40cts/gal in most markets.

The reasons for the price drop are well documented but the size of the fall has caught most people by surprise. Since June, U.S. crude prices have dropped almost 60% in value. That doesn't match the 77% decline in prices back in 2008 from July to December; nevertheless the price drop is sizeable.

Retail Fuel Watch (RFW) took a look at trend of bulk gasoline prices from now into the spring and summer. Generally, the April/May gasoline market is priced about 20-25cts/gal over current winter numbers with summer prices rising another nickel or so. In most cases though, prices for June, July, and August aren't that much higher than May values.

Historically, prices peak in April then drop into July before rising an average of 25% through September.

The latest Department of Energy numbers don't offer much support to prices hitting a bottom and some experts are suggesting gasoline prices could drop another dime or more.

The weekly supply and demand numbers from the Energy Information Administration revealed a combined 19-million barrel build in gasoline and distillate stocks, one of the biggest weekly builds

Continued on Page 12

12-Week National Fuel Price Trend

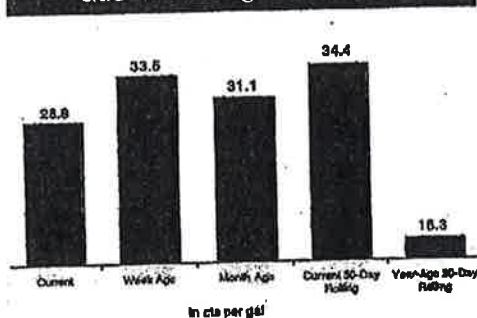
	GASOLINE					DIESEL				
	Net	Net	Net	Net	Margin	Net	Net	Net	Net	Margin
10/26	313.1	301.9	315.9	305.9	11.8%	351.6	306.0	345.0	45.0	11.8%
10/27	305.0	335.8	284.7	312.2	10.3%	361.0	305.3	346.3	39.0	10.8%
11/0	299.6	349.4	311.9	37.5	9.2%	359.9	303.3	370.9	37.5	9.2%
11/10	294.1	344.0	319.3	34.7	8.4%	351.5	305.3	376.7	35.5	7.9%
11/17	290.1	340.1	312.9	27.2	9.4%	343.2	306.5	368.5	40.0	11.6%
11/24	283.2	331.2	307.4	23.8	8.1%	339.9	302.2	361.0	43.3	14.3%
12/1	278.3	326.3	304.4	21.9	8.6%	337.1	300.7	351.5	46.7	13.9%
12/8	269.6	319.9	296.2	23.6	12.5%	331.8	293.4	338.2	67.2	19.1%
12/15	257.9	306.3	270.2	36.1	14.1%	341.7	286.4	307.6	79.8	23.0%
12/22	243.2	293.8	256.2	37.6	15.5%	330.1	274.0	295.7	60.3	24.5%
12/29	230.7	181.4	147.9	33.1	14.5%	319.6	263.7	287.1	35.3	23.9%
1/5	221.7	172.3	143.4	28.8	12.0%	311.5	255.4	280.4	35.0	24.1%

Retail = average retail price; Net = retail price less state, federal and local taxes and 1.0 cts/gal for freight; Rack = wholesale cost; Margin = difference between net and rack

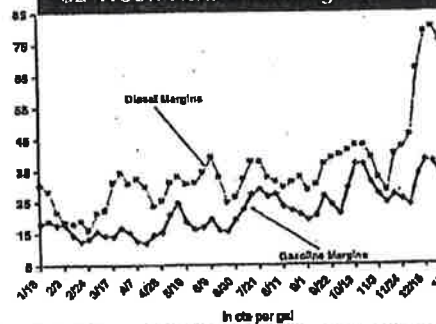
State-By-State Rack-To-Retail Gasoline Margins



Gasoline Margin Snapshot



52-Week National Margin Trend



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OPIS State-By-State Pricing Trends

State	GASOLINE						DIESEL					
	Current	7-Day Avg	14-Day Avg	30-Day Avg	Change	% Change	Current	7-Day Avg	14-Day Avg	30-Day Avg	Change	% Change
AK	301.0	272.8	233.4	39.4	-46.5	-41.0	345.8	311.8	278.5	33.3	-32.1	-37.5
AL	209.1	187.5	144.7	22.8	-45.8	-38.5	305.3	255.8	175.7	80.2	-29.8	-45.4
AR	208.4	187.5	138.3	28.2	-45.6	-45.0	282.1	243.2	176.1	67.1	-45.2	-54.2
AZ	218.2	174.1	152.2	22.0	-52.0	-48.5	300.2	247.1	181.1	68.0	-52.9	-73.2
CA	264.5	200.3	158.5	41.8	-38.2	-39.8	321.9	254.8	188.7	68.1	-42.9	-35.0
CO	210.9	167.8	121.9	45.7	-64.1	-55.9	311.4	283.8	187.8	98.0	-48.8	-77.8
CT	262.4	203.6	155.2	48.4	-44.1	-48.0	345.9	265.3	195.5	69.8	-26.9	-37.6
DE	239.6	194.0	185.8	28.4	-38.4	-43.7	292.8	240.4	181.7	48.7	-35.6	-41.1
FL	282.5	176.4	150.4	28.0	-41.2	-45.1	310.7	251.1	184.3	58.8	-33.4	-44.0
GA	220.2	171.9	154.3	17.6	-44.3	-41.4	305.7	248.1	181.3	66.8	-35.7	-43.8
HI	348.7	283.5	240.8	42.8	-33.4	-41.6	489.4	383.9	292.7	101.2	-10.2	-37.6
IA	203.7	161.6	128.3	35.9	-62.9	-53.7	294.0	244.5	170.7	73.7	-64.0	-59.0
ID	212.9	166.8	137.8	28.9	-79.9	-47.6	315.7	263.6	173.3	80.3	-48.8	-84.4
IL	214.9	156.1	132.4	23.7	-63.4	-57.8	326.7	251.9	170.7	81.2	-48.6	-63.6
IN	196.0	141.2	130.3	11.0	-73.9	-62.0	321.5	258.5	178.3	80.2	-53.4	-76.9
KS	194.4	149.3	124.6	24.7	-61.6	-51.8	289.0	235.8	188.8	87.0	-68.8	-57.0
KY	210.6	161.6	145.8	15.8	-58.3	-42.1	323.9	271.8	186.8	85.0	-37.3	-71.7
LA	206.4	165.4	135.3	30.1	-47.3	-44.8	295.2	248.2	187.3	80.9	-38.4	-48.8
MA	244.6	197.8	154.7	43.3	-41.8	-50.4	317.8	265.0	184.8	70.4	-31.5	-39.4
MD	239.5	189.7	162.4	27.3	-38.6	-38.9	302.8	246.4	190.4	56.0	-34.2	-36.4
ME	238.9	187.4	161.9	25.5	-48.8	-46.7	325.8	267.0	213.9	63.9	-28.3	-29.9
MI	194.8	147.0	123.3	23.6	-61.8	-70.8	325.3	265.9	166.2	99.7	-83.8	-84.8
MN	203.9	155.2	128.6	26.8	-55.2	-51.5	320.7	268.1	182.7	83.3	-65.5	-66.2
MO	187.8	150.4	129.5	20.8	-55.1	-52.4	282.8	238.8	170.2	68.7	-62.7	-59.5
MS	204.0	165.2	143.9	21.3	-44.4	-40.2	289.0	249.3	173.5	74.9	-34.8	-45.1
MT	222.2	174.3	136.2	38.1	-63.9	-58.4	299.7	245.1	188.8	58.5	-68.4	-79.6
NC	228.6	172.0	151.3	20.8	-38.2	-35.5	312.8	249.2	189.6	59.6	-28.0	-36.5
ND	228.4	185.2	127.1	58.2	-53.6	-59.0	347.7	298.8	177.7	120.9	-61.9	-75.1
NE	211.9	165.1	125.0	40.1	-63.6	-53.6	304.9	252.6	172.3	80.3	-60.2	-60.3
NH	237.1	193.2	155.3	37.9	-44.3	-50.1	308.0	258.1	198.3	59.7	-29.7	-38.4
NJ	224.8	180.2	152.2	38.0	-41.6	-48.7	292.4	248.8	180.9	58.0	-30.0	-39.1
NM	204.6	165.7	140.2	25.5	-50.5	-46.2	289.5	250.5	186.3	64.2	-52.5	-68.2
NV	245.9	184.5	150.7	33.8	-46.8	-48.7	309.9	249.5	180.0	69.5	-49.1	-56.4
NY	274.2	208.8	157.9	50.9	-38.3	-47.8	355.0	282.1	186.2	85.9	-21.9	-39.1
OH	192.6	143.7	131.7	11.9	-76.0	-64.0	327.7	272.5	172.8	99.7	-45.4	-78.2
OK	191.2	154.1	124.8	29.3	-58.5	-51.7	272.8	232.7	167.6	65.1	-64.8	-57.1
OR	247.1	198.1	147.0	49.1	-51.0	-49.1	302.2	245.7	175.5	70.2	-50.7	-48.9
PA	253.0	184.2	153.0	31.3	-38.6	-53.5	335.8	249.6	191.9	57.6	-28.8	-48.9
RI	243.7	190.5	156.1	34.4	-46.9	-51.1	311.8	252.4	183.2	59.2	-38.1	-39.7
SC	208.1	189.9	153.3	16.0	-43.2	-37.5	300.6	257.7	189.2	68.5	-29.0	-38.9
SD	211.7	167.8	128.3	41.2	-57.2	-52.7	304.7	254.6	179.8	74.9	-69.7	-61.8
TN	205.8	164.3	143.0	21.4	-48.9	-41.2	302.2	257.7	174.2	83.6	-35.5	-61.7
TX	198.6	159.4	135.1	24.3	-50.0	-44.7	298.0	251.7	172.9	78.9	-38.7	-57.0
UT	226.0	180.8	128.3	54.5	-61.4	-51.2	316.4	265.2	156.0	109.2	-44.6	-107.4
VA	213.7	177.4	154.2	23.2	-43.7	-37.4	304.8	256.8	183.5	73.2	-30.5	-42.8
VT	266.6	214.2	169.3	54.9	-35.1	-45.7	337.7	279.6	202.8	76.8	-20.5	-36.4
WA	248.3	189.9	143.6	46.3	-53.4	-51.6	316.1	250.2	177.3	72.9	-48.1	-54.3
WI	218.0	163.0	130.4	32.7	-58.8	-55.7	310.3	251.3	169.8	81.5	-67.6	-77.8
WV	240.1	185.1	149.1	42.0	-46.1	-52.4	343.0	282.0	183.8	98.4	-30.6	-67.4
WY	235.7	181.7	127.2	64.5	-57.7	-62.6	329.1	279.0	185.0	84.0	-46.2	-82.5

Current retail average based on reconciled credit card transactions received by OPIS from the 7-day period between the previous Tuesday through the most recent Monday. Due to the way credit card receipts are reconciled, a few additional transactions may be received for the dates that already comprise the current weekly average. Minor fluctuations in the actual average may occur as a result. Rack averages are based on the daily OPIS average for the individual stations during the time period for the appropriate product sold at the station. Branded stations are matched to the appropriate suppliers at the closest rack. If we are unable to match a brand to a supplier we use the branded average price from the closest rack. All prices are for regular unleaded gasoline or diesel only and are in cts per gal.

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OPIS Best & Worst Markets To Sell & Supply Fuel

Most Profitable Markets To Sell & Supply Gasoline (Current Week)

Rank	Metro	Retail	Net	Rack	Margin	Monthly Retail Change	Monthly Rack Change
1	Casper WY	238.4	184.3	123.9	70.5	-53.6	-57.7
2	Burlington VT	279.0	226.7	160.3	66.4	-32.3	-45.4
3	Washington (DC Only)	263.4	219.8	154.2	65.6	-35.9	-37.7
4	Bismarck ND	240.2	197.1	131.9	65.2	-44.8	-53.5
5	Seattle-Bellevue-Everett WA	262.6	203.1	143.9	59.8	-48.7	-49.8
6	Rochester NY	281.5	216.5	157.5	59.1	-31.8	-50.5
7	San Luis Obispo CA	282.1	218.4	159.9	58.4	-32.1	-38.2
8	Rapid City SD	224.3	180.2	121.9	58.3	-66.4	-57.7
9	Flagstaff AZ	245.8	208.7	149.0	57.7	-44.1	-49.8
10	Barnstable-Yarmouth MA	267.8	211.1	153.6	57.5	-42.5	-51.4

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Least Profitable Markets To Sell & Supply Gasoline (Current Week)

Rank	Metro	Retail	Net	Rack	Margin	Monthly Retail Change	Monthly Rack Change
1	Savannah GA	216.7	168.0	171.9	-3.9	-48.8	-36.7
2	Albany GA	195.1	146.4	146.5	0.0	-51.9	-37.2
3	Lafayette IN	185.0	130.2	129.8	0.3	-77.2	-65.2
4	Champaign-Urbana IL	188.0	139.9	133.0	1.0	-76.8	-51.3
5	Hamilton-Middletown OH	185.9	136.9	135.2	1.7	-83.9	-55.3
6	Decatur IL	185.8	134.5	131.3	3.1	-75.1	-58.2
7	Lubbock TX	187.7	147.4	143.4	4.0	-47.1	-44.4
8	Owensboro KY	196.3	147.3	141.7	5.7	-68.4	-45.4
9	Indianapolis IN	189.7	134.9	127.9	7.0	-78.0	-65.2
10	Dayton-Springfield OH	187.9	139.0	131.8	7.1	-79.2	-62.0

Most Profitable Markets To Sell & Supply Diesel (Current Week)

Rank	Metro	Retail	Net	Rack	Margin	Monthly Retail Change	Monthly Rack Change
1	Toledo OH	328.4	273.3	160.9	112.4	-46.4	-93.1
2	Columbus OH	334.0	278.9	166.6	112.3	-43.0	-81.8
3	Provo-Orem UT	313.5	262.3	150.9	111.4	-36.6	-112.6
4	Jackson MI	336.7	276.7	166.4	110.3	-57.1	-90.8
5	Salt Lake City-Ogden UT	319.3	262.1	151.9	110.2	-45.3	-112.7
6	Fargo-Moorhead (ND Only)	333.9	284.8	175.4	109.4	-59.8	-71.1
7	Greeley CO	318.4	271.5	163.6	107.9	-42.8	-77.5
8	Lansing-East Lansing MI	336.4	276.3	168.8	107.5	-55.9	-83.0
9	Ann Arbor MI	330.9	271.2	164.1	107.1	-59.3	-95.5
10	Cleveland-Lorain OH	338.2	282.9	176.1	106.9	-37.8	-70.8

Least Profitable Markets To Sell & Supply Diesel (Current Week)

Rank	Metro	Retail	Net	Rack	Margin	Monthly Retail Change	Monthly Rack Change
1	Anchorage AK	336.7	302.5	274.4	28.2	-32.1	-38.0
2	Florence AL	272.4	221.2	183.9	37.3	-49.0	-42.6
3	Vineland-Millville-Bridgeton NJ	276.3	231.6	191.9	39.7	-34.8	-42.5
4	York PA	323.6	237.4	195.3	42.1	-28.9	-39.0
5	Augusta-Aiken (SC Only)	273.6	230.8	188.4	42.4	-35.6	-43.9
6	Harrisburg-Lebanon PA	325.1	238.9	195.0	43.8	-24.6	-39.1
7	Lancaster PA	324.0	237.8	193.7	44.1	-27.7	-40.0
8	Orlando FL	304.5	244.8	200.0	44.9	-31.9	-44.9
9	Reading PA	324.1	238.0	193.0	45.0	-25.8	-39.4
10	Punta Gorda FL	298.3	236.6	193.1	45.5	-36.0	-47.0

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Final 2014

OPIS Year-To-Date Best & Worst Markets

Top-25 Most Profitable Markets To Sell Gasoline In 2014 YTD

2014 Rank	Week Ago Rank	Market	State	Total	Vol	Rank	Vol Rank	Change From Week Ago	% Change From Week Ago
1	1	Washington (DC Only)	DC	354.6	311.0	260.7	50.4	0.3	0.6%
2	2	San Francisco CA	CA	385.1	315.5	288.7	46.8	0.2	0.4%
3	3	San Luis Obispo CA	CA	384.7	317.9	271.5	46.4	0.3	0.7%
4	4	Santa Barbara CA	CA	379.8	312.8	271.5	41.3	0.2	0.5%
5	5	Bellingham WA	WA	364.1	303.9	282.9	41.0	0.2	0.5%
6	6	Bakersfield CA	CA	377.5	311.7	272.1	39.6	0.2	0.5%
7	7	Seattle-Bellavue-Everett WA	WA	363.0	302.8	263.2	39.6	0.4	1.0%
8	8	Bismarck ND	ND	339.8	296.7	257.6	39.1	0.5	1.3%
9	9	Salinas CA	CA	373.0	305.6	267.9	37.7	0.1	0.3%
10	10	Bridgeport CT	CT	371.0	302.5	264.9	37.8	0.3	0.8%
11	12	New York NY	NY	371.4	301.1	263.9	37.3	0.4	1.1%
12	11	Ventura CA	CA	375.1	309.4	272.3	37.1	0.1	0.3%
13	13	Medford-Ashland OR	OR	366.6	306.5	268.8	36.6	0.1	0.3%
14	14	Merced CA	CA	371.7	305.2	268.6	36.6	0.1	0.3%
15	17	Barnstable-Yarmouth MA	MA	350.1	309.5	267.0	36.5	0.4	1.1%
16	16	Portland-Vancouver (OR Only)	OR	353.2	301.5	265.0	36.5	0.2	0.6%
17	16	Oakland CA	CA	373.5	304.4	268.1	36.3	0.2	0.6%
18	18	San Diego CA	CA	374.8	307.7	271.7	36.0	0.1	0.3%
19	19	Orange County CA	CA	374.8	308.1	272.7	35.5	0.1	0.3%
20	20	Salem OR	OR	351.2	301.0	265.7	35.3	0.1	0.3%
21	21	San Jose CA	CA	372.8	304.3	269.0	35.3	0.2	0.6%
22	24	Burlington VT	VT	352.8	300.2	265.0	35.2	0.6	1.7%
23	22	Santa Rosa CA	CA	370.8	302.3	267.2	35.1	0.1	0.3%
24	23	Los Angeles-Long Beach CA	CA	377.1	307.6	272.6	34.9	0.1	0.3%
25	25	Valejo-Fairfield-Napa CA	CA	368.9	301.6	266.8	34.7	0.1	0.3%

Top-25 Least Profitable Markets To Sell Gasoline In 2014 YTD

2014 Rank	Week Ago Rank	Market	State	Total	Vol	Rank	Vol Rank	Change From Week Ago	% Change From Week Ago
1	1	Erie PA	PA	340.8	278.6	282.3	-3.7	0.5	-11.8%
2	2	Lubbock TX	TX	302.6	262.4	267.4	4.9	-0.1	-2.0%
3	3	Decatur IL	IL	323.7	262.0	254.9	7.1	-0.1	-1.4%
4	4	Florence AL	AL	310.4	267.1	259.4	7.7	0.1	1.3%
5	7	Lafayette IN	IN	326.2	265.5	256.6	8.9	-0.1	-1.1%
6	5	Tucson AZ	AZ	313.9	274.8	265.8	9.1	0.3	3.4%
7	6	Clarksville-Hopkinsville (KY Only)	KY	315.7	264.3	255.2	9.1	0.1	1.1%
8	8	Jonesboro AR	AR	308.8	264.8	255.3	9.5	0.0	0.0%
9	9	Jacksonville NC	NC	326.4	266.1	259.4	9.7	0.1	1.0%
10	11	Albany GA	GA	310.5	260.8	250.9	10.0	-0.2	-2.0%
11	10	Orlando FL	FL	325.0	271.9	261.8	10.0	0.2	2.0%
12	12	El Paso TX	TX	313.0	272.7	262.4	10.3	-0.1	-1.0%
13	14	Savannah GA	GA	323.9	274.2	263.6	10.6	-0.3	-2.8%
14	13	Enid OK	OK	313.2	276.1	265.1	11.0	0.4	3.6%
15	19	Gary IN	IN	336.3	275.4	264.2	11.1	-0.1	-0.9%
16	20	Phoenix-Mesa AZ	AZ	321.2	282.1	271.0	11.1	-0.1	-0.9%
17	15	Springfield IL	IL	327.5	267.2	256.0	11.2	0.1	0.9%
18	17	Chattanooga TN (GA Only)	GA	310.9	261.3	250.1	11.2	0.1	0.9%
19	21	Amarillo TX	TX	305.2	264.9	253.5	11.5	0.2	1.8%
20	18	Memphis TN (AR Only)	AR	310.6	269.7	257.2	11.5	0.3	2.7%
21	22	Goldboro NC	NC	319.9	262.5	251.0	11.6	0.0	0.0%
22	16	Cheyenne WY	WY	324.8	280.7	269.0	11.7	0.6	5.4%
23	23	Fayetteville-Rogers AR	AR	306.0	264.1	252.3	11.8	0.2	1.7%
24	NR	Las Cruces NM	NM	313.5	274.6	262.6	11.9	-0.1	-0.8%
25	NR	Albuquerque NM	NM	309.3	270.3	258.3	12.0	0.0	0.0%

NR = Market was not ranked in the previous 25 least most/least profitable markets

*To qualify market must have received prices from 40 or more unique stations

*Week-ago rank was what the year-to-date rank was last week



NORTHEAST REGIONAL FUEL MARKETER PROFITABILITY INDEX

Current = 7-day period between 12/30/14 and 01/05/15
Week Ago = 7 day period between 12/23/14 and 12/29/14
Month Ago = 7 day period between 12/02/14 and 12/08/14
Net = The retail average less federal, state and local taxes plus 1.5 cts per gal for freight

Prices Between
12/30/14 and
01/05/15

Top 10 Best Earning Brands

Rank	Brand	Current	Week Ago	Month Ago	Net	Current	Week Ago	Month Ago	Net	Current	Week Ago	Month Ago	Net
1	Stewart's	248	273.2	209.2	158.7	52.5	40.8	38.9	50.0	12.6	-34.3	-45.3	
2	Noco	59	281.7	214.9	164.8	50.1	43.4	34.7	48.1	12.9	-35.4	-45.8	
3	Type	58	278.3	212.4	163.2	49.2	43.0	29.5	44.5	7.8	-34.5	-45.5	
4	Mobil	1,422	262.2	206.3	167.4	48.9	40.5	40.8	50.3	22.8	-41.8	-48.4	
5	Getty	146	257.0	199.5	163.2	46.4	47.3	40.3	49.4	21.6	-42.0	-47.7	
6	Nike N Easy	43	271.6	206.9	161.1	45.7	41.5	28.0	43.0	13.3	-36.3	-52.0	
7	Fastac	43	270.8	205.8	160.2	45.8	44.1	28.0	43.2	11.8	-33.7	-51.5	
8	Go Mart	104	237.2	183.0	138.5	44.5	47.0	34.3	45.5	16.1	-43.7	-58.2	
9	Lukoil	267	242.3	185.5	151.9	43.3	40.0	36.1	45.5	27.5	-50.4	-65.7	
10	Byrne Dairy	31	267.2	202.8	160.0	42.2	38.8	24.9	40.1	9.7	-34.2	-49.8	
Lowest	Costco	60	216.5	188.0	166.8	11.2	12.0	12.0	14.5	4.4	-45.9	-45.7	
	Market	24,487	245.9	192.5	155.3	37.3	40.1	32.5	40.5	18.2	-41.2	-47.2	

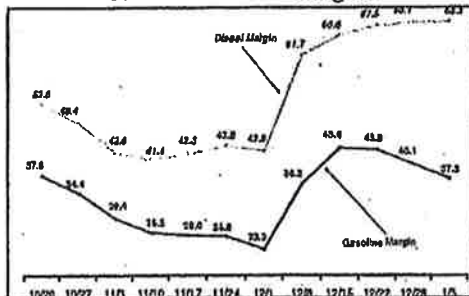
Top 10 Best Earning Metro Markets

Rank	Metro Market	Current	Week Ago	Month Ago	Net	Current	Week Ago	Month Ago	Net	Current	Week Ago	Month Ago	Net
1	Burlington VT	140	270.0	228.7	160.3	66.4	65.9	52.7	55.2	23.7	-32.3	-45.4	
2	Washington (DC Only)	105	263.4	219.5	154.2	65.5	59.5	63.8	58.9	42.5	-35.5	-37.7	
3	Rochester NY	408	281.5	218.3	167.5	59.1	58.1	38.8	53.8	15.4	-31.8	-50.5	
4	Barnstable-Yarmouth MA	116	257.8	211.1	158.5	57.5	57.9	49.7	58.7	20.9	-42.5	-51.4	
5	New York NY	1135	278.2	212.0	155.1	56.9	56.7	49.8	58.5	27.3	-42.2	-47.2	
6	Glens Falls NY	87	274.2	211.6	155.2	56.8	53.7	37.8	54.0	18.5	-59.1	-48.8	
7	Bridgeport CT	268	289.9	211.2	154.9	56.3	56.0	50.4	58.5	27.4	-48.2	-47.5	
8	Albany-Schenectady-Troy NY	382	271.4	207.1	153.8	51.9	50.1	38.3	50.3	18.1	-32.5	-48.6	
9	Dutchess County NY	128	273.3	208.2	158.7	51.5	53.0	44.5	53.4	23.0	-42.3	-47.2	
10	New Haven-Meriden CT	310	263.0	204.5	154.4	49.9	49.4	40.4	51.5	18.0	-42.7	-48.0	

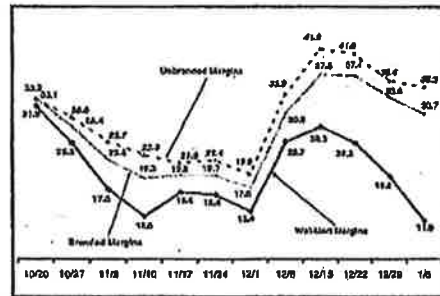
Top 10 Worst Earning Metro Markets

Rank	Metro Market	Current	Week Ago	Month Ago	Net	Current	Week Ago	Month Ago	Net	Current	Week Ago	Month Ago	Net
1	Danville VA	77	198.5	163.1	151.3	11.8	25.5	25.9	24.1	15.2	-45.7	-35.5	
2	Lynchburg VA	174	198.1	162.5	148.2	14.8	27.8	31.4	27.9	19.5	-50.9	-37.5	
3	Richmond-Petersburg VA	528	208.8	171.2	155.9	15.4	24.2	25.6	24.3	22.1	-44.5	-37.8	
4	Norfolk-Virginia Beach (VA Only)	608	217.1	181.7	163.0	15.7	24.5	27.1	24.5	23.1	-42.7	-34.9	
5	Wilmington-Newark DE (MD Only)	38	233.7	184.0	168.1	15.9	18.9	13.7	21.5	16.0	-39.5	-43.7	
6	York PA	139	239.7	170.8	154.1	16.7	14.5	20.3	18.7	9.4	-55.3	-53.7	
7	Parkersburg-Marietta (WV Only)	49	210.1	155.1	136.7	18.3	20.0	22.4	22.4	11.4	-71.0	-56.5	
8	Erie PA	109	248.3	178.5	160.3	19.2	20.7	-11.9	14.3	-21.4	-33.3	-71.3	
9	Bangor ME	135	236.5	185.0	165.4	18.2	22.6	22.7	24.6	15.2	-49.0	-45.9	
10	Roanoke VA	137	203.6	168.2	148.5	19.8	34.9	39.5	34.1	21.1	-53.5	-37.3	

12-Week Northeast Gasoline & Diesel Margins



12-Week Wal-Mart Watch



Northeast Regional Fuel Marketer Profitability Index is published bi-monthly as a supplement to OPIS Retail Fuel Watch by UCG, Two Washington Center, 9737 Washington Blvd., Suite 200, Gaithersburg, MD 20878-7384. UCG chief executive officers: Bruce Levenson, Ed Peakowitz. © 2015. Reproduction without permission is prohibited. Circulation Office: 301-287-2625 Fax 301-287-2630 Editorial: 800-275-0550 Staff: Brian Crotty, Ben Brockwell, Fred Rozell and Stephanie Newton. Postmaster: Send address changes to OPIS Retail Fuel Watch, Two Washington Center, 9737 Washington Blvd., Suite 200, Gaithersburg, MD 20878-7384.

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January 15, 2015

OPIS Retail Fuel Watch

Volume 14 Issue 2

The Oil Industry's Benchmark For Retail Gasoline And Diesel Prices & Profits

Retailers See Volumes Fade 2.3% in 2014

An OPIS survey of nearly 5,000 stations shows same store sales down 2.3% compared to 2013 and off by 3.6% when compared to 2012. The store numbers, which run the gamut from regional chains, to small operators, to large high volume outlets contradict reports from the EIA which says volumes were up 1.4% over last year, but confirm reports from various retailers who have been suspect of the EIA reports.

On a quarterly basis, the EIA shows volumes up almost 1% in the first quarter and up slightly for the second and third quarter, but up a strong 2.1% in the fourth quarter. The OPIS store volumes show a different story however, with volumes down a whopping 4.3% in the first quarter thanks to a bru-

tal winter in much of the country. Sales were down by 1.5%, 1.9% and 1.3% in the second, third, and fourth quarters.

Only 42.5% of the stations sold more gasoline this year compared to what they sold in 2013, with almost 20% seeing drops of more than 10%. It was even worse when compared to 2012 with almost 60% of all stations selling less gasoline and 27.3% seeing drops of more than 10%.

Regionally, the Southeast was the only area to see gains versus 2013 with volumes edging up by 0.3%. The Southwestern region was about even compared to last year while the Western part of the country was down by 0.5%. The mid-section of the country was

VT is Highest in U.S.

12-Week National Fuel Price Trend

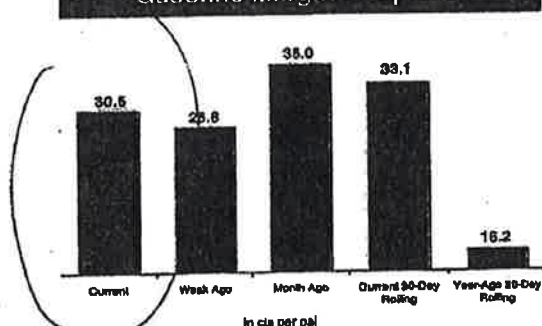
	GASOLINE					DIESEL				
	Net	Rack	Margin	Net	Rack	Net	Rack	Margin	Net	Rack
10/27	306.0	235.8	234.7	31.2	10.2%	361.9	303.1	266.3	35.0	10.8%
11/3	299.6	249.4	231.9	27.5	9.2%	359.9	303.1	270.9	31.3	9.0%
11/10	294.1	244.0	218.3	24.7	8.4%	361.9	305.2	276.7	28.3	7.9%
11/17	290.1	240.1	211.9	22.2	9.4%	363.2	306.3	266.3	40.0	11.0%
11/24	283.2	235.2	207.4	23.8	9.1%	359.9	303.3	261.0	42.3	11.6%
12/1	278.3	228.3	204.4	23.9	8.6%	357.3	300.7	254.5	46.2	12.9%
12/8	269.6	219.9	186.2	30.6	12.3%	351.4	293.4	228.2	67.2	19.1%
12/15	277.9	208.3	170.2	38.1	14.8%	342.7	286.4	207.6	78.8	23.0%
12/22	263.2	193.8	156.2	37.6	15.3%	330.1	274.0	193.7	80.3	24.3%
12/29	260.7	181.4	147.9	33.5	14.5%	319.6	263.7	187.2	76.5	23.9%
1/5	221.7	172.1	141.4	28.8	13.0%	311.5	255.4	180.4	75.0	24.1%
1/12	213.3	165.8	133.3	30.3	14.3%	302.5	246.3	167.9	71.5	26.0%

Notes: Net = average retail price; Rack = retail price less state, federal and local taxes and 1.5 cts/gal for freight; Margin = difference between net and rack

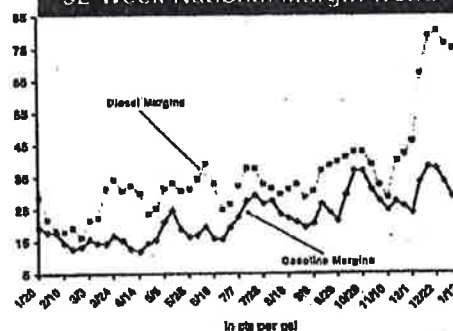
State-By-State Rack-To-Retail Gasoline Margins



Gasoline Margin Snapshot



52-Week National Margin Trend



OPIS For more information about OPIS retail products and services, visit <http://www.opisnet.com/retail-fuel-prices.aspx>

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OPIS State-By State Pricing Trends

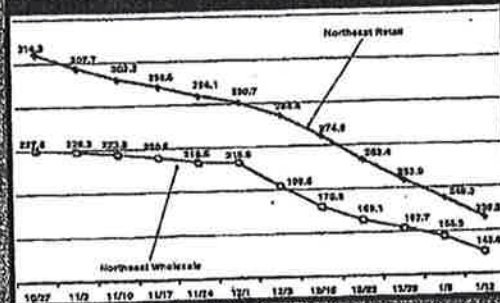
	GASOLINE						DIESEL					
	Current	1 Week Ago	2 Weeks Ago	3 Weeks Ago	4 Weeks Ago	5 Weeks Ago	Current	1 Week Ago	2 Weeks Ago	3 Weeks Ago	4 Weeks Ago	5 Weeks Ago
AK	293.3	285.2	223.1	42.1	-48.5	-40.5	341.0	306.9	266.3	40.6	-32.9	-39.5
AL	201.0	169.4	136.1	23.3	-46.6	-37.2	299.1	249.7	165.2	84.5	-30.9	-38.3
AR	201.0	159.1	130.8	28.3	-46.1	-42.9	283.1	234.3	165.5	68.8	-45.7	-45.2
AZ	205.2	166.1	140.5	25.7	-51.2	-42.2	289.3	236.2	167.4	68.8	-56.0	-51.7
CA	261.5	197.2	152.8	44.4	-33.3	-27.9	318.0	251.0	177.5	73.5	-38.0	-28.1
CO	198.9	155.5	121.3	34.3	-65.1	-36.9	300.9	253.0	155.7	97.4	-52.7	-60.9
CT	251.3	193.7	141.8	51.9	-46.9	-44.7	339.0	258.5	192.4	76.0	-26.5	-40.0
DE	230.1	184.7	154.1	30.6	-40.4	-39.9	284.3	232.1	179.6	52.5	-36.8	-41.6
FL	224.6	168.4	140.6	27.8	-42.0	-44.7	302.9	243.1	184.2	59.0	-36.0	-38.6
GA	211.7	164.2	145.7	18.5	-44.3	-39.5	297.8	240.7	171.3	69.3	-38.1	-36.8
HI	344.0	279.1	231.5	47.6	-31.6	-40.1	486.5	391.0	281.4	109.6	-10.0	-38.0
IA	198.2	156.2	123.0	33.2	-56.3	-47.1	285.8	236.2	158.9	77.3	-60.9	-49.4
ID	198.7	152.8	129.9	22.7	-78.2	-39.4	298.1	246.0	157.4	88.5	-59.3	-70.8
IL	210.2	161.8	126.9	24.9	-56.9	-51.0	315.2	241.3	165.2	86.1	-50.0	-55.0
IN	202.7	148.4	124.6	23.8	-52.8	-52.7	309.5	247.3	157.6	89.8	-57.1	-69.7
KS	186.9	141.8	120.8	21.0	-58.4	-46.3	279.9	226.8	157.3	69.4	-64.4	-47.4
KY	210.9	163.2	137.3	25.9	-42.6	-38.1	313.0	262.3	184.5	97.8	-43.2	-88.0
LA	198.5	157.5	127.5	30.0	-46.5	-42.0	287.9	240.2	159.6	80.8	-39.4	-37.8
MA	234.4	187.7	141.1	46.7	-44.4	-45.7	308.9	256.3	182.4	73.9	-34.4	-40.6
MD	231.9	181.3	149.1	32.2	-39.3	-42.7	295.4	238.0	175.8	62.4	-35.8	-37.6
ME	229.4	177.9	147.7	30.2	-49.9	-44.7	317.7	259.8	202.2	57.6	-31.3	-31.6
MI	197.1	149.1	116.8	32.3	-62.8	-63.3	312.3	253.6	151.0	102.6	-66.1	-84.2
MN	195.2	146.5	124.7	21.8	-54.0	-47.3	306.9	252.2	167.2	85.0	-67.7	-58.3
MO	179.3	141.9	124.7	17.3	-54.0	-46.5	272.5	229.1	158.4	70.7	-62.8	-50.0
MS	197.6	158.7	136.0	22.7	-42.9	-37.7	280.1	241.4	164.5	76.9	-35.5	-38.0
MT	209.5	161.7	129.9	31.8	-66.3	-45.7	287.2	232.6	174.6	58.0	-69.7	-63.5
NC	223.1	165.3	142.9	22.3	-38.0	-34.9	304.7	240.9	175.0	65.9	-32.1	-35.3
ND	214.4	171.3	123.2	48.0	-57.9	-53.8	330.8	281.7	163.8	118.1	-67.4	-66.4
NE	204.1	157.5	121.5	36.0	-59.8	-46.4	294.3	242.3	160.9	81.4	-60.2	-49.3
NH	226.1	182.2	141.7	40.5	-47.8	-45.9	300.0	250.1	186.5	63.6	-32.8	-39.1
NJ	213.7	179.1	136.8	40.5	-44.5	-45.7	283.9	240.3	177.4	62.8	-32.6	-41.3
NM	195.1	156.1	135.4	20.7	-51.1	-40.6	287.9	238.9	173.9	65.1	-55.1	-58.4
NV	236.9	175.4	142.0	33.4	-45.8	-39.4	299.2	238.7	166.7	72.0	-51.7	-44.9
NY	265.0	200.2	144.6	55.6	-39.9	-45.0	348.0	275.6	184.2	81.5	-24.3	-40.1
OH	198.1	150.1	125.0	25.2	-55.0	-56.2	316.8	261.7	154.6	107.1	-49.3	-73.3
OK	184.4	147.3	120.2	27.1	-54.5	-46.8	263.9	223.8	156.2	67.7	-59.1	-47.2
OR	236.6	185.5	140.2	45.4	-53.0	-34.9	290.8	234.1	163.1	71.0	-51.1	-45.0
PA	244.0	172.3	139.3	33.0	-40.4	-50.7	330.4	240.1	178.1	82.0	-26.2	-47.7
RI	234.2	181.0	143.0	38.0	-48.5	-45.6	302.6	243.4	178.2	65.1	-38.4	-44.0
SC	198.5	161.7	144.9	17.3	-43.5	-36.6	293.1	250.3	178.2	72.0	-31.7	-33.5
SD	204.4	160.3	123.6	36.7	-53.3	-41.5	293.5	243.4	168.8	74.6	-66.8	-50.2
TN	199.1	156.6	134.7	22.0	-46.8	-38.3	294.8	250.3	164.0	86.3	-36.5	-47.3
TX	192.4	152.2	127.3	24.9	-48.3	-41.3	290.1	243.8	162.7	81.1	-41.1	-49.0
UT	210.3	165.1	122.7	42.4	-66.9	-40.5	303.3	252.1	147.5	104.5	-51.0	-74.2
VA	206.7	168.9	145.1	23.8	-42.6	-36.9	299.1	250.1	170.7	78.4	-32.4	-39.7
VT	255.8	204.8	147.2	57.6	-38.6	-43.2	331.3	273.2	192.9	80.3	-29.2	-37.5
WA	239.2	179.8	134.7	45.2	-54.6	-38.5	304.6	238.8	164.7	74.1	-51.3	-48.8
WI	205.0	152.0	124.6	27.4	-57.0	-50.2	298.4	239.5	154.2	85.3	-67.7	-65.8
WV	231.6	176.9	132.6	44.2	-47.8	-49.3	332.9	272.2	165.8	106.4	-36.4	-63.4
WY	220.9	176.8	124.1	52.7	-63.8	-40.3	316.0	265.9	185.8	80.1	-54.6	-60.7

Current retail average based on reconciled credit card transactions received by OPIS from the 7-day period between the previous Tuesday through the most recent Monday. Due to the way credit card receipts are reconciled, a few additional transactions may be received for the dates that already comprise the current weekly average. Minor fluctuations in the actual average may occur as a result. Rack averages are based on the daily OPIS average for the individual stations during the time period for the appropriate product sold at the station. Branded stations are matched to the appropriate suppliers at the closest rack. If we are unable to match a brand to a supplier we use the branded average price from the closest rack. All retail brands determined to be unbranded use the unbranded average price at the closest rack. All prices are for regular unleaded gasoline or diesel only and are in cents per gallon.

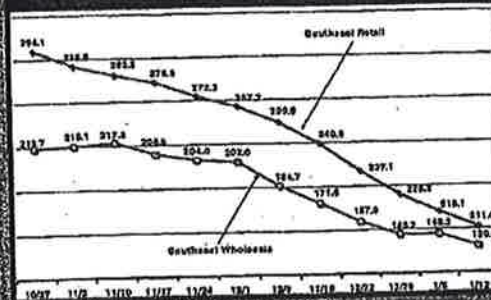
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OPIS 12-Week Regional Gasoline Rack & Retail Pricing Trends

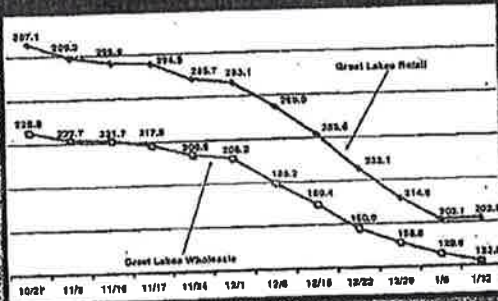
Northeast Gasoline



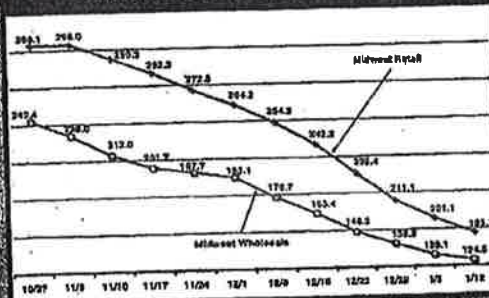
Southeast Gasoline



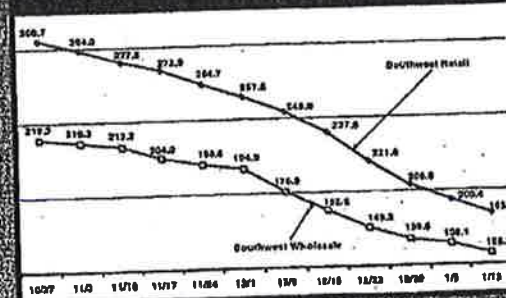
Great Lakes Gasoline



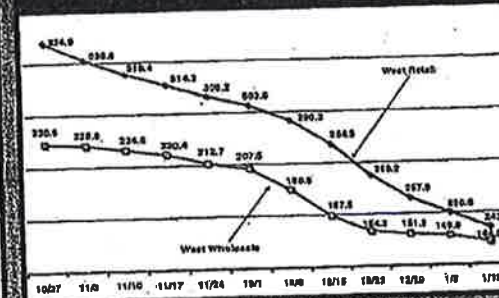
Midwest Gasoline



Southwest Gasoline



West Gasoline



OPIS Retail Fuel Watch

Most Profitable Metros To Sell & Supply Gasoline (Current Week)						Monthly Retail	Monthly Rack
Rank	Metro	Retail	Net	Rack	Margin	Change	Change
1	Washington (DC Only)	258.0	214.4	145.8	68.8	-35.9	-38.4
2	Burlington VT	267.4	215.3	148.2	67.1	-37.6	-43.3
3	Rochester NY	273.5	209.0	144.2	64.8	-33.2	-47.7
4	San Luis Obispo CA	278.1	215.3	152.5	62.8	-26.5	-28.5
5	Bridgeport CT	280.6	203.1	141.4	61.7	-45.7	-44.7
6	New York NY	288.8	203.1	141.7	61.4	-43.0	-44.0
7	Barnstable-Yarmouth MA	247.9	201.3	140.0	61.3	-44.1	-46.2
8	Glens Falls NY	265.4	203.4	142.4	61.0	-32.8	-43.8
9	Flagstaff AZ	237.3	198.2	137.8	60.6	-43.2	-45.0
10	Casper WY	225.8	181.7	122.4	59.3	-59.5	-31.2

Least Profitable Metros To Sell & Supply Gasoline (Current Week)						Monthly Retail	Monthly Rack
Rank	Metro	Retail	Net	Rack	Margin	Change	Change
1	Savannah GA	210.0	182.0	166.8	-4.8	-47.4	-33.1
2	Albany GA	191.3	143.3	199.5	3.8	-45.5	-32.3
3	El Paso TX	190.4	150.1	145.8	4.5	-47.2	-33.2
4	Lubbock TX	181.6	141.3	193.8	7.5	-43.3	-43.8
5	Las Cruces NM	191.6	152.6	144.8	7.8	-50.4	-33.7
6	Decatur IL	186.1	134.8	126.9	7.9	-57.5	-49.1
7	Springfield IL	187.0	135.9	127.8	8.2	-59.9	-49.8
8	Memphis TN (MS Only)	184.6	146.1	137.3	8.8	-49.0	-38.1
9	McAllen-Edinburg-Mission TX	193.2	152.9	142.9	10.0	-46.3	-36.0
10	Columbia MO	170.2	132.8	122.8	10.0	-53.2	-47.9

Most Profitable Metros To Sell & Supply Diesel (Current Week)						Monthly Retail	Monthly Rack
Rank	Metro	Retail	Net	Rack	Margin	Change	Change
1	Columbus OH	325.4	270.4	149.2	121.2	-45.5	-77.4
2	Cleveland-Lorain OH	329.7	274.6	159.2	115.4	-41.1	-85.9
3	Youngstown-Warren OH	328.7	273.6	159.0	114.6	-41.3	-84.0
4	Toledo OH	318.0	262.9	148.6	114.4	-49.8	-80.4
5	Jackson MI	324.1	264.8	150.5	114.3	-56.4	-82.2
6	Lansing-East Lansing MI	325.7	266.2	153.4	112.9	-58.7	-79.9
7	Grand Rapids-Muskegon MI	325.2	265.8	154.3	111.5	-63.2	-74.0
8	Washington (DC Only)	329.8	280.2	189.0	111.2	-30.6	-39.6
9	Benton Harbor MI	323.8	264.5	153.5	111.0	-55.8	-76.0
10	Cincinnati OH (OH Only)	326.3	271.2	160.7	110.4	-41.7	-72.2

Least Profitable Metros To Sell & Supply Diesel (Current Week)						Monthly Retail	Monthly Rack
Rank	Metro	Retail	Net	Rack	Margin	Change	Change
1	Anchorage AK	331.5	297.3	262.1	35.2	-32.1	-40.0
2	Augusta-Aiken (SC Only)	265.7	222.9	181.3	41.6	-38.7	-33.3
3	Vineland-Millville-Bridgeton NJ	267.9	224.3	179.3	45.0	-34.8	-41.5
4	Florence AL	268.0	216.8	171.4	45.4	-44.7	-39.8
5	Punta Gorda FL	289.9	230.2	183.7	46.4	-39.1	-39.9
6	Orlando FL	296.2	236.4	189.8	46.6	-35.0	-39.9
7	York PA	317.3	227.0	180.3	48.7	-28.9	-45.5
8	Lancaster PA	317.2	226.9	179.7	47.2	-28.3	-46.0
9	Billings MT	280.7	226.1	176.0	48.1	-69.3	-59.1
10	Harrisburg-Lebanon PA	318.5	228.2	180.0	48.2	-24.8	-46.0

2015 YTD Ranks

OPIS Year-to-Date Best & Worst Markets

Top-25 Most Profitable Markets To Sell Gasoline In 2014 YTD

Rank	Market	ST	2014 Retail	2014 Wholesale	2014 Margin	2014 Week Ago	2014 Year Ago	
1	22 Burlington VT	VT	271.5	219.5	152.6	68.9	31.7	80.1%
2	1 Washington (DC Only)	DC	259.9	216.3	149.4	68.9	18.5	32.7%
3	NR Casper WY	WY	230.4	186.8	123.2	63.1	39.0	161.8%
4	NR Rochester NY	NY	276.3	211.7	149.2	62.5	37.6	151.0%
5	3 San Luis Obispo CA	CA	280.5	216.8	156.6	60.0	13.6	29.3%
6	NR Flagstaff AZ	AZ	240.6	201.5	142.0	59.5	26.4	79.8%
7	15 Barnstable-Yarmouth MA	MA	261.3	204.8	145.8	59.4	22.9	62.7%
8	10 Bridgeport CT	CT	263.8	205.8	146.6	59.3	21.7	57.7%
9	11 New York NY	NY	272.0	206.2	146.9	59.3	22.0	59.0%
10	NR Glens Falls NY	NY	268.8	206.5	147.4	59.2	20.7	100.7%
11	7 Seattle-Bellevue-Everett WA	WA	256.1	196.6	139.2	57.4	17.8	44.8%
12	8 Bismarck ND	ND	229.8	186.7	129.8	57.1	18.0	46.0%
13	2 San Francisco CA	CA	278.5	212.4	155.8	56.7	9.9	21.2%
14	NR Albany-Schenectady-Troy NY	NY	265.5	201.6	147.3	54.3	28.4	109.7%
15	NR Buffalo-Niagara Falls NY	NY	277.3	210.9	156.7	54.2	30.8	131.6%
16	4 Santa Barbara CA	CA	273.7	209.7	155.7	54.0	12.7	30.8%
17	NR Dutchess County NY	NY	265.9	201.3	149.2	52.2	21.6	70.0%
18	NR New Haven-Meriden CT	CT	255.3	197.3	146.0	51.4	21.9	74.2%
19	NR Nassau-Suffolk NY	NY	263.4	199.0	147.0	51.1	19.8	63.3%
20	6 Bakersfield CA	CA	270.7	207.7	156.6	51.1	11.6	29.0%
21	NR Ulster-Rome NY	NY	269.1	203.1	153.1	50.0	26.2	110.1%
22	NR Trenton NJ	NJ	227.8	193.1	143.2	49.9	20.4	69.2%
23	NR Rapid City SD	SD	214.6	170.5	121.2	49.3	15.8	47.2%
24	NR New London-Norwich CT	CT	255.0	198.8	148.1	48.7	21.4	78.4%
25	NR Newburgh NY	NY	262.0	197.6	149.0	48.6	23.4	92.9%

Top-25 Least Profitable Markets To Sell Gasoline In 2014 YTD

Rank	Rank	Market	ST	Retail	Net	Frank	Margin	Week Ago	Week Ago
1	13	Savannah GA	GA	212.3	164.4	169.0	-4.6	-15.2	-143.4%
2	10	Albany GA	GA	192.6	144.8	142.5	2.1	-7.9	-79.0%
3	3	Decatur IL	IL	185.0	133.7	126.7	5.0	-2.1	-29.6%
4	12	El Paso TX	TX	183.0	152.7	147.5	5.2	-5.1	-49.5%
5	2	Lubbock TX	TX	189.8	143.6	137.7	5.9	1.0	20.4%
6	NR	Memphis TN (MS Only)	MS	187.0	148.6	141.0	7.6	-8.0	-44.1%
7	24	Las Cruces NM	NM	194.2	155.3	146.8	8.4	-3.5	-29.4%
8	NR	McAllen-Edinburg-Mission TX	TX	195.5	155.3	146.7	8.6	-5.0	-36.8%
9	NR	Memphis TN (TN Only)	TN	192.5	151.0	141.3	9.6	-5.4	-38.0%
10	15	Gary IN	IN	193.4	139.1	129.0	10.1	-1.0	-9.0%
11	NR	Greenville-Spartanburg SC	SC	192.3	155.6	145.2	10.3	-4.0	-28.0%
12	NR	Wichita KS	KS	176.7	131.6	121.3	10.3	-9.3	-47.4%
13	NR	Owensboro KY	KY	193.8	148.1	135.6	10.5	-4.3	-29.1%
14	NR	Brownsville-Harlingen TX	TX	198.5	158.3	147.7	10.8	-5.2	-32.9%
15	18	Chattanooga TN (GA Only)	GA	197.7	149.8	139.0	10.7	-0.5	-4.5%
16	NR	Santa Fe NM	NM	182.9	143.8	133.0	10.9	-6.1	-31.9%
17	17	Springfield IL	IL	192.3	140.6	129.8	11.0	-0.2	-1.8%
18	NR	Macon GA	GA	201.4	153.5	142.5	11.0	-2.2	-16.7%
19	NR	Charlotte-Gastonia (SC Only)	SC	191.5	154.6	143.8	11.0	-1.7	-13.4%
20	21	Goldsboro NC	NC	218.9	191.0	150.0	11.1	-0.5	-4.3%
21	25	Albuquerque NM	NM	189.5	144.5	133.1	11.4	-0.8	-6.0%
22	NR	Hattiesburg MS	MS	185.5	147.1	135.4	11.6	-9.4	-44.8%
23	NR	Columbia MO	MO	174.1	136.7	124.9	11.9	-1.3	-9.8%
24	16	Phoenix-Mesa AZ	AZ	197.9	158.8	146.9	11.9	0.8	7.2%
25	NR	Danville VA	VA	195.4	159.5	146.3	12.2	-5.4	-30.7%

NR = Market was not ranked in the previous 25 least most/least profitable markets
 *To qualify market must have received prices from 40 or more unique stations
 *Week-ag rank was what the year-to-date rank was last week



NORTHEAST REGIONAL

Fuel Market Profitability Index

Current = 7-day period between 01/06/15 and 01/12/15
 Week Ago = 7 day period between 12/30/14 and 01/05/15
 Month Ago = 7 day period between 12/09/14 and 12/15/14
 Net = The retail average less federal, state and local taxes plus 1.5 cts per gal for freight

Prices Between
 01/06/15 and
 01/12/15

Top 10 Best Earning Brands

Rank	Brand	Current	Week Ago	Month Ago	Net	Current	Week Ago	Month Ago	Net	Current	Week Ago	Month Ago	Net
1	Noco	35	275.4	209.1	148.9	60.2	50.1	43.1	49.9	14.8	-39.1	-48.2	
2	Stewarts	249	263.5	200.0	143.3	56.7	52.5	46.7	52.9	15.5	-37.0	-45.1	
3	Top's	56	270.7	206.1	149.0	58.1	49.2	39.6	48.6	10.1	-35.0	-50.1	
4	Mobil	1,427	252.4	196.6	144.5	52.3	45.9	43.7	50.6	24.3	-43.4	-45.6	
5	Goody	139	246.9	191.0	140.0	51.1	46.4	49.5	49.5	23.7	-42.5	-44.6	
6	Nice N Easy	43	261.9	197.6	147.1	50.5	45.7	38.3	45.5	16.0	-38.8	-49.0	
7	Fastac	43	259.9	195.6	146.5	49.0	45.8	38.6	45.6	14.0	-38.6	-48.1	
8	Byrne Dairy	51	257.4	193.5	146.8	48.5	42.2	35.5	42.4	12.4	-37.0	-48.3	
9	Go Mart	104	229.0	175.0	128.2	46.8	44.6	41.6	47.3	15.2	-40.0	-50.3	
10	Luxoil	270	232.4	184.9	138.5	46.4	43.6	44.9	40.5	28.6	-41.0	-45.9	
Lowest	Costco	50	207.3	157.8	143.1	14.8	11.2	18.5	13.5	6.6	-45.7	-44.5	
	Market	24,519	238.3	182.9	142.6	40.3	37.3	40.0	40.5	20.7	-42.8	-44.9	

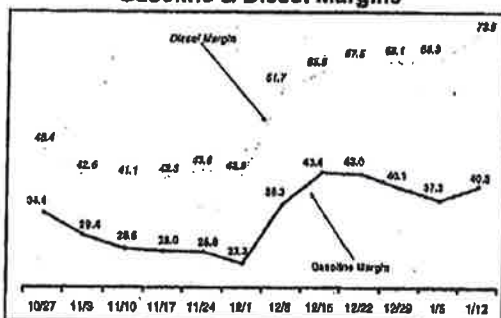
Top 10 Best Earning Metro Markets

Rank	Metro Market	Current	Week Ago	Month Ago	Net	Current	Week Ago	Month Ago	Net	Current	Week Ago	Month Ago	Net
1	Washington (DC Only)	105	258.0	214.4	145.6	68.8	66.8	66.4	60.8	43.1	-35.8	-56.4	
2	Burlington VT	150	267.4	215.5	148.2	67.1	60.4	60.0	56.5	24.5	-37.6	-49.3	
3	Rochester NY	406	273.6	208.0	144.2	54.8	60.1	49.4	59.1	17.5	-33.2	-47.7	
4	Bridgeport CT	290	260.6	203.1	141.4	61.7	58.3	58.7	58.9	29.7	-45.7	-44.7	
5	New York NY	1140	268.8	208.1	141.7	61.4	66.9	68.1	59.1	29.3	-43.0	-44.0	
6	Barnstable-Yarmouth MA	116	247.9	201.3	140.0	61.3	57.5	59.2	60.0	23.9	-44.1	-48.2	
7	Glens Falls NY	87	285.4	203.4	142.4	61.0	68.6	48.3	56.7	19.3	-32.8	-43.8	
8	Buffalo-Niagara Falls NY	348	275.0	208.7	151.5	57.2	49.3	45.0	49.4	14.1	-34.7	-44.7	
9	Albany-Schenectady-Troy NY	383	262.2	198.5	142.4	56.1	61.9	45.8	52.4	18.2	-35.5	-44.0	
10	Nassau-Suffolk NY	630	280.0	184.8	141.7	63.1	48.8	49.2	50.8	24.1	-43.0	-44.8	

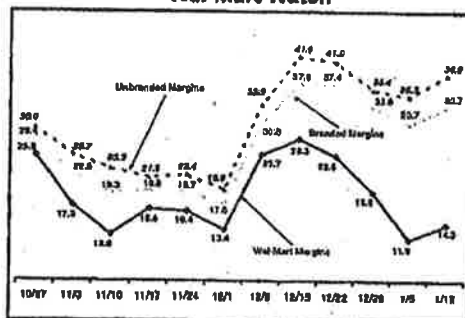
Top 10 Worst Earning Metro Markets

Rank	Metro Market	Current	Week Ago	Month Ago	Net	Current	Week Ago	Month Ago	Net	Current	Week Ago	Month Ago	Net
1	Danville VA	76	193.8	156.7	142.2	14.6	11.8	27.1	21.0	14.1	-42.4	-34.9	
2	Richmond-Petersburg VA	829	199.7	161.8	147.2	14.6	15.4	27.0	21.2	22.2	-44.5	-37.2	
3	Erie PA	107	236.6	185.0	146.1	16.6	19.2	0.5	17.0	-20.1	-41.6	-67.7	
4	York PA	139	227.3	195.6	138.3	17.3	15.7	24.5	17.1	12.9	-50.7	-53.9	
5	Norfolk-Virginia Beach (VA Only)	615	210.0	179.1	155.8	17.5	15.7	28.0	21.8	23.6	-41.5	-36.1	
6	Lynchburg VA	176	195.1	168.3	139.4	18.9	14.6	31.7	24.5	20.0	-44.2	-38.5	
7	Wilmington-Newark DE (MD Only)	98	225.7	175.2	166.0	19.2	15.9	22.8	20.4	19.5	-40.9	-40.2	
8	Roanoke VA	137	199.7	162.6	139.4	23.4	19.6	38.7	30.2	21.9	-48.7	-38.4	
9	Parkersburg-Marietta (WV Only)	49	202.7	148.0	124.4	23.6	18.3	33.0	20.4	10.9	-68.8	-68.8	
10	Lancaster PA	164	232.4	160.7	136.9	23.6	21.4	26.4	23.0	17.5	-44.6	-51.6	

12-Week Northeast Gasoline & Diesel Margins



12-Week Wal-Mart Watch



Northeast Regional Fuel Market Profitability Index is published bi-monthly as a supplement to OPIS Retail Fuel Watch by UCG, Two Washington Center, 6737 Washington Blvd., Suite 200, Gaithersburg, MD 20878-7364. UCG chief executive officers: Bruce Lovenson, Ed Peskowitz. © 2015. Reproduction without permission is prohibited. Circulation Office: 301-287-2525 Fax: 301-287-2039 Editorial: 800-275-0960 Staff: Brian Crotty, Ben Brookwell, Fred Rozell and Stephanie Newton. Postmaster: Send address changes to OPIS Retail Fuel Watch, Two Washington Center, 6737 Washington Blvd., Suite 200, Gaithersburg, MD 20878-7364.

From The Publishers Of Oil Price Information Service & Oil Express

McLean, Daniel (Sanders)

From: opisadmin@opisnet.com
Sent: Thursday, January 22, 2015 10:29 AM
To: McLean, Daniel (Sanders)
Subject: OPIS Wholesale Racks with OPIS Spot Mean

Account #230980

To align the following data, change the font size to 9 in Courier New.

ALBANY, NY 2015-01-22 10:00:11 EST

OPIS CONTRACT BENCHMARK FILE

OPIS GROSS CLEAR PRICES

9.0 RVP

	Terms	Unl	Move	Mid	Move	Pre	Move	Date	Time
Apex	u N-10	-- --	-- --	-- --	-- --	165.00	- 4.00	01/20	18:00
LOW RACK						165.00			
HIGH RACK						165.00			
RACK AVG						165.00			
UBD LOW RACK						165.00			
UBD HIGH RACK						165.00			
UBD RACK AVG						165.00			
CONT AVG-01/22						165.00			
CONT LOW-01/22						165.00			
CONT HIGH-01/22						165.00			

ALBANY, NY 2015-01-22 10:00:11 EST

OPIS CONTRACT BENCHMARK FILE

OPIS GROSS CBOB ETHANOL(10%) PRICES

9.0 RVP

	Terms	Unl	Move	Mid	Move	Pre	Move	Date	Time
Apex	u N-10	137.00	+ 1.00	143.00	+ 1.00	154.00	+ 1.00	01/21	18:00
PSX	u N-10	137.25	+ .50	147.25	+ .50	154.25	+ .50	01/21	18:00
NWENGLPTR	u N-10	137.50	+ .25	142.40	+ .25	151.35	+ .25	01/22	00:01
PFI	u N-10	137.50	+ .25	148.00	+ .75	167.75	+ 1.50	01/21	18:00
Global	u 1-10	138.54	- 2.44	143.43	- 4.01	154.55	- 2.74	01/21	18:00
Citgo	b 1-10	138.75	+ .50	151.55	+ .50	167.90	+ .50	01/21	18:00
Coastal	b 1-10	138.85	+ .26	148.85	+ .26	170.61	+ .26	01/21	18:00
Sunoco	b 1-10	139.10	+ .26	149.60	+ .26	170.86	+ .26	01/21	18:00
Shell	b 1-10	139.20	+ .81	147.91	+ .81	173.55	+ .81	01/21	18:00
Valero	b 1-10	139.20	+ .25	149.20	+ .25	169.20	+ .25	01/21	18:00
XOM	b 1-10	139.45	- 2.95	150.45	- 2.95	171.45	- 1.00	01/21	19:00
Gulf	b 1-10	139.50	+ .25	150.00	+ .25	171.75	+ .25	01/21	18:00
Irving	b 1-10	139.55	- .43	163.93	- .44	171.65	- .44	01/22	00:01
Valero	u N-10	140.25	+ .75	150.75	+ .75	171.15	+ .75	01/21	18:00
Mystik	b 1-12	140.55	+ .70	151.05	+ .70	172.80	+ .70	01/21	18:00
GlobalXOM	b 1-10	140.65	+ .55	150.65	+ .55	169.65	+ .55	01/21	18:00
GULF-GIE	u Net	141.55	+ .60	151.25	+ .50	162.60	+ .40	01/21	18:00
Irving	u N-10	143.62	+ .92	147.83	+ .84	156.00	+ .68	01/21	18:00
Buckeye	u 1-10	145.50	+ 1.00	157.50	+ 1.00	175.50	+ 1.00	01/21	17:00
LOW RACK		137.00		142.40		151.35			
HIGH RACK		145.50		163.93		175.50			
RACK AVG		139.66		149.72		166.14			
OPIS NYH BARGE DELIVERED SPOT (SRI)									
FOB ALBANY		138.91		-- --		151.38			
BRD LOW RACK		138.75		147.91		167.90			
BRD HIGH RACK		140.65		163.93		173.55			
BRD RACK AVG		139.48		151.32		170.94			
UBD LOW RACK		137.00		142.40		151.35			
UBD HIGH RACK		145.50		157.50		175.50			
UBD RACK AVG		139.86		147.93		160.79			
CONT AVG-01/22		139.66		149.72		166.14			
CONT LOW-01/22		137.00		142.40		151.35			
CONT HIGH-01/22		145.50		163.93		175.50			

ALBANY-SCHENECTADY-TROY, NY
 LOW RETAIL 235.60
 AVG RETAIL 247.25
 LOW RETAIL EX-TAX 175.93
 AVG RETAIL EX-TAX 185.55

ALBANY, NY

2015-01-22 10:00:11 EST

OPIS CONTRACT BENCHMARK FILE

OPIS GROSS PURE ETHANOL PRICES

	Terms	w/out RINS	Move	with RINS	Move	Move Date	Time
U.S. Oil	u N-10	181.93	+ 1.00	-- --	-- --	01/21	18:00
LOW RACK		181.93		-- --			
HIGH RACK		181.93		-- --			
RACK AVG		181.93		-- --			
UBD LOW RACK		181.93		-- --			
UBD HIGH RACK		181.93		-- --			
UBD RACK AVG		181.93		-- --			
CONT AVG-01/22		181.93		-- --			
CONT LOW-01/22		181.93		-- --			
CONT HIGH-01/22		181.93		-- --			

TOTAL ETHANOL AVG 181.93

ALBANY, NY

2015-01-22 10:00:11 EST

OPIS CONTRACT BENCHMARK FILE

OPIS GROSS E-85 PRICES

	Terms	Move	Move Date	Time
Global	u 1-10	160.90	+ 1.07	01/21 18:00
DEB Distr	u N-5	165.55	+ .46	01/21 00:01
LOW RACK		160.90		
HIGH RACK		165.55		
RACK AVG		163.23		
OPIS NYH BARGE DELIVERED SPOT (SRI)				
FOB ALBANY		153.36		
UBD LOW RACK		160.90		
UBD HIGH RACK		165.55		
UBD RACK AVG		163.23		
CONT AVG-01/22		163.23		
CONT LOW-01/22		160.90		
CONT HIGH-01/22		165.55		

BURLINGTON, VT

2015-01-22 10:00:11 EST

OPIS CONTRACT BENCHMARK FILE

OPIS GROSS CBOB ETHANOL(10%) PRICES

9.0 RVP

	Terms	Unl	Move	Mid	Move	Pre	Move	Move Date	Time
Irving	b 1-10	144.40	- .91	168.44	- .89	175.87	- .89	01/22 00:01	
Citgo	b 1-10	144.45	+ .50	156.85	+ .50	174.10	+ .50	01/21 18:00	
Sunoco	b 1-10	144.73	- .03	154.73	- .03	174.82	- .03	01/21 18:00	
Shell	b 1-10	144.76	+ .81	153.46	+ .80	179.10	+ .81	01/21 18:00	
Gulf	b 1-10	145.00	- .25	156.00	- .25	175.75	- .25	01/21 18:00	
Global	u 1-10	145.28	- 4.78	158.10	+ 1.54	167.19	- .99	01/21 18:00	
GlobalXOM	b 1-10	145.40	+ .55	155.40	+ .55	170.40	+ .55	01/21 18:00	
LOW RACK		144.40		153.46		167.19			
HIGH RACK		145.40		168.44		179.10			
RACK AVG		144.86		157.57		173.89			
OPIS NYH BARGE DELIVERED SPOT (SRI)									
FOB BURLINGTON		144.37		-- --		156.84			
BRD LOW RACK		144.40		153.46		170.40			
BRD HIGH RACK		145.40		168.44		179.10			
BRD RACK AVG		144.79		157.48		175.01			
UBD LOW RACK		145.28		158.10		167.19			
UBD HIGH RACK		145.28		158.10		167.19			
UBD RACK AVG		145.28		158.10		167.19			
CONT AVG-01/22		144.86		157.57		173.89			
CONT LOW-01/22		144.40		153.46		167.19			

Written Testimony prepared for:

U.S. Senate
Committee on Energy and Natural Resources
Vermont Field Hearing
Monday, August 6, 2012
Burlington City Hall
149 Church Street
Burlington, Vermont

My name is Ben Brockwell and I am Director of Data, Pricing & Information Service with OPIS (Oil Price Information Service).

OPIS is a privately-held, independent business information company, a division of Gaithersburg, Maryland-based UCG. The parent company provides business information services across a wide array of businesses including oil and energy, the specialty of OPIS. Other UCG business units deal in health, banking, and technology fields.

UCG celebrates 35 years in business in 2012.

OPIS celebrates its 32 year as part of UCG in 2012.

OPIS essential business function is to independently value the price of refined oil products (gasoline, diesel, jet fuel, propane, etc.) as they move along the supply chain from the refiner producer to the end-user consumer.

OPIS prices provide independent benchmarks for bulk buyers and sellers of petroleum needing an independent source to value their daily buy/sell transactions for specific products.

OPIS tracks wholesale rack or terminal prices at close to 400 city locations through all fifty U.S. states and in Canada.

OPIS wholesale prices are highly referenced benchmarks used by petroleum wholesalers to sell product to end-users. Our prices are typically used as reference points around which contract prices between a supplier and a consumer rise or fall, escalate or de-escalate.

The U.S. government through its Defense Energy Support Center (DESC) relies on OPIS data to buy its bulk fuel needs for the military.

OPIS, through its retail gasoline/diesel group, also tracks retail gasoline prices at some 175,000 gasoline stations through all fifty states, including Vermont.

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OPIS retail prices are site specific, brand specific, and product specific, and updated daily via credit card transaction reads mainly through Portland, Maine-based Wright Express, a credit card services company serving small, medium, and large sized fuel fleets.

OPIS also collects prices directly from some of the large chain retailers who have a vested interest in our data being correct because OPIS retail gasoline prices are being used by automobile companies as part of the dashboard software used to find gasoline stations and other consumer services -- GPS based technology.

Retail gasoline and diesel prices are aggregated in a retail fuel data base and sorted in a variety of formats so the information can be sold on a fee-subscription basis.

A sampling of OPIS retail fuel products include: Retail Fuel Watch (RFW), a weekly publication that tracks rack-to-retail gasoline and diesel prices profit margins by geographical region (Northeast, for example); by state (Vermont); and by metropolitan location (Burlington). Among other things, RFW ranks by region the most profitable and least profitable cities to market gasoline. It also rates the top earning brands by region.

OPIS stores lots of retail pricing data in its Retail Data House, which can be used to generate comparative price studies over time by region, by brand, by state, etc.

OPIS also publishes a Retail Radius Report which essentially provides competitive station pricing data by specific geographical region within a specified radius of any selected station location.

OPIS also published from time to time special retail reports, including an Annual Retail Market in Review that summarizes and compares various data components, including gallons sold, annual margins, market share by brand, branded supplier price comparison, unbranded supplier price comparisons, branded versus unbranded price comparisons, etc.

Because of OPIS recognized expertise in wholesale and retail gasoline prices, I was contacted by the office of Senator Bernie Sanders regarding possible pump pricing discrepancies in Vermont, specifically the variation between prices in Burlington, Vermont and other areas of the state.

I was made aware of a July 2012 letter that the Senator had sent to the U.S. Attorney General and the Federal Trade Commission asking for an investigation to explain why Burlington, Vermont prices were some 35cts/gal higher than places like Middlebury, less than 30 miles from Burlington.

Senator Sander's office asked OPIS to provide some historical information on rack-to-retail gasoline margins in Vermont over time to determine how Burlington profit margins compare to other Vermont cities, the U.S. average, plus the northeastern regional average.

OPIS provided several data series to aid the senator with his inquiry.

T

I was asked by the senator's office if there was a reasonable explanation why Burlington prices were so much higher than neighboring areas.

My immediate response was to take the senator's office through a number of variables that I would examine to help explain any significant price differences.

One of the first avenues of inquiry was to verify the type of gasoline that Burlington may use versus other areas of Vermont, the possibility that Burlington required what is known as reformulated gasoline, gasoline that is required in certain metropolitan areas to comply with ozone and clean air requirements.

RFG gasoline tends to be much more expensive than conventional gasoline because the fuel is tougher for refiners to make and requires the use of more expensive blend stocks.

Burlington, Vermont is not one of the metropolitan locations required to burn reformulated gasoline or low Reid Vapor Gasoline to meet clean air standards.

Burlington uses conventional gasoline at its stations, the same gasoline used through the entire state.

So my initial conclusion was that fuel specification differences did not explain the price discrepancies the senator outlined in his letter to the attorney general.

I then looked at state, county, and local gasoline tax possibilities as a reason one area's price could be so much higher than another – perhaps some Burlington city tax existed or some additional county tax on gasoline existed beyond the normal Vermont state gasoline tax that would create a price difference related to gasoline taxes.

I believe the Vermont gasoline tax structure is pretty uniform and to my knowledge no additional or special gasoline taxes or fees are in place in Burlington or in the neighboring counties that would explain the price differences mentioned by Senator Sanders' office.

So gasoline taxes didn't seem to me to offer a reasonable explanation of the retail gasoline price differences outlined by Senator Sanders.

I also took a look at transportation – the possibility that it cost more to deliver gasoline to Burlington than to other markets but the major oil terminals are located closer to Burlington than to other markets so I eliminated this as a cause for the price differences described by the Senator in his letter to the attorney general and chairman of the Federal Trade Commission.

Companies that deliver gasoline for a living tell me it costs about 2.4cpg to deliver gasoline from zero to 25 miles; 3.4cpg from 26 to 50 miles; 4.6cpg from 51 to 75 miles; 6 cpg from 76 to 100 miles; and approximately 13 cpg to deliver fuel 200 miles. Time and

distance are the controlling variables that determine transportation rates, along with loading and unloading product, which is built into the rates.

Real estate values in Burlington may offer one explanation but it is a variable I am not in a position to evaluate: the point being that the cost of building a running a station in Burlington may be higher than in other Vermont locations so retailers strive to earn bigger profits to offset higher expenses.

Senator Sanders mentioned in his letter to the attorney general that the Burlington retail gasoline market was mostly controlled by four companies, suggesting a possible lack of local competition. That is an avenue of inquiry that might deserve closer inspection.

The impact of having a low-cost gasoline provider in a market can be significant. In New Jersey, for example, areas that have Wawa gasoline outlets tend to be 15 to 24cpg lower-priced than areas that don't.

Based upon my inquiry into this matter I have been unable to find a reasonable explanation to justify or explain why Burlington, Vermont retail gasoline prices are higher than neighboring areas.

✓

Exhibit Q



BURLINGTON - GAS PRICES

9/25/2014

SEN. SANDERS

DAN McLEAN

W. MORGAN

Economic Issue -

Millions \$\$ (100-200 More per year/person)

People's faith in gov't to do anything to help

GOITCO

WALMART

BLAINFIELD - Pumps

- BIOFUEL

— UNLESS - Other Appeals available

— Legal Municipality pumps

— Non-profit coop gas station

Bring case just to make a point

* — PATTERN OF ANTICOMPETITIVE PRACTICES

— Over 45% gas stations - lower prices, flip them

— BAN COVENANTS AS AGAINST PUBLIC POLICY

LITIG / ARGUMENT GO?

Exhibit R

From: McLean, Daniel (Sanders) <Daniel_McLean@sanders.senate.gov>
Sent: Monday, October 06, 2014 4:50 PM
To: Kriger, Ryan
Subject: RE: Checking in

Categories: Printed

Ryan: Thanks the email. Did the AG give any feedback? ... Dan

From: Kriger, Ryan [mailto:ryan.kriger@state.vt.us]
Sent: Monday, October 06, 2014 4:37 PM
To: McLean, Daniel (Sanders)
Subject: Checking in

Dan,

I'm just writing to let you know we're still looking into the issues that we discussed a couple weeks ago.

-Ryan

My email address has changed, please update your contact info to ryan.kriger@state.vt.us.

Ryan G. Kriger.
Assistant Attorney General
Vermont Office of the Attorney General
Public Protection Division
109 State Street
Montpelier, VT 05609-1001
ph: (802) 828-3170
ryan.kriger@state.vt.us

From: McLean, Daniel (Sanders) <Daniel_McLean@sanders.senate.gov>
Sent: Monday, October 20, 2014 12:09 PM
To: Kriger, Ryan
Subject: Just checking in

Categories: Printed

Ryan: Any updates on the thinking from the AG's office on the gas issue. Thanks. Dan

Daniel McLean
Senior Press Advisor
Office of U.S. Senator Bernie Sanders

daniel_mclean@sanders.senate.gov
(802) 862-0697 office phone

- Visit Senator Sanders' Online Resources:
[Website](#) | [Facebook](#) | [Twitter](#) | [YouTube](#) | [Bernie Buzz](#)

From: McLean, Daniel (Sanders) <Daniel_McLean@sanders.senate.gov>
Sent: Wednesday, October 22, 2014 5:45 PM
To: Kriger, Ryan
Subject: ran out of time to call today. I will call tomorrow morning.. Dan
Categories: Printed

Daniel McLean
Senior Press Advisor
Office of U.S. Senator Bernie Sanders

daniel_mclean@sanders.senate.gov
(802) 862-0697 office phone

Visit Senator Sanders' Online Resources:
[Website](#) | [Facebook](#) | [Twitter](#) | [YouTube](#) | [Bernie Buzz](#)

Exhibit S

12/9/2018

Did Sorrell Take Official Action to Punish Opponent's Donor? | Off Message

VERMONT'S INDEPENDENT VOICE

SEVEN DAYS

sevendaysvt.com

THURSDAY, JANUARY 28, 2016

CRIME / NEWS

Did Sorrell Take Official Action to Punish Opponent's Donor?

POSTED BY PAUL HEINTZ ON THU, JAN 28, 2016 AT 5:08 PM



Attorney General Bill Sorrell

FILE: JEB WALLACE-BRODEUR

An email obtained during an investigation of Attorney General Bill Sorrell suggests he sought to punish a donor to a rival's campaign during the course of official business.

First disclosed in this week's **Fair Game political column**, the email pertains to a September 2014 press conference organized by then-lieutenant gubernatorial candidate Dean Corren and attended by Sorrell. Standing in front of McCaffrey's Sunoco in Burlington, the two called for legislation requiring gasoline distributors to disclose pricing information to the attorney general's office.

After the event, the head of a local business group raised concerns about Sorrell's participation, prompting the AG to reply, "I care about the issue, not to mention the \$4k a whole seller gave a prior opponent ..."

The "whole seller" in question appears to be Skip Vallee, a political lightning rod whose Colchester-based business, R.L. Vallee, Inc., has been accused of driving up gas prices in Chittenden County. Now the Vermont chairman of Sen. Marco Rubio's (R-Fla.) presidential campaign, Vallee has contributed generously to Republican candidates over the years, including President George W. Bush, who in 2005 appointed him ambassador to Slovakia.

In August 2012, Vallee and his wife, Denise, **donated \$4,000 to Chittenden County State's Attorney T.J. Donovan's**

12/9/2018

Did Sorrell Take Official Action to Punish Opponent's Donor? | Off Message

Democratic primary campaign against Sorrell. Though Donovan came close to unseating Sorrell, he ended up losing the election by 714 votes, just 11 days after the Valleys made their contributions.

Forwarded a copy of the email, Vallee would not say whether he thought he was the target of Sorrell's ire.

"You should ask General Sorrell," he replied.

Sorrell did not immediately respond to a request for comment.

Had Sorrell sought retribution against a rival's donor at a political event, it could have been considered politics as usual. But Sorrell has long claimed that he participated in the press conference in the course of his official duties.

"This was not a campaign rally," Sorrell wrote in a sworn affidavit submitted in July 2015 to a panel of state's attorneys investigating separate allegations against him. "Indeed, it was much like other issue-focused events I participated in during 2014 — as part of my job as Attorney General."

The nature of the press conference became an issue last spring when Vermont Republican Party vice chair Brady Toensing **accused the AG of failing to report Corren's expenses at the event as in-kind contributions to Sorrell's reelection campaign**. In response, Sorrell argued that he did not have to disclose the information because he did not drop by McCaffrey's as a political candidate.

"While Dean Corren may have treated it as a campaign event," Sorrell's lawyer, David Kirby, wrote last July in a separate filing, "attendance was simply part of General Sorrell's job promoting public awareness of an issue and legislation addressed to that issue."

A panel of state's attorneys that investigated Toensing's allegations agreed with the AG, writing in **a report released last week** that the press conference "was not staged as a Sorrell campaign event."

Vallee declined to comment directly on the email, but he addressed it obliquely in a statement to *Seven Days*.

"It is never appropriate for an elected law enforcement official to settle political scores using the power granted to him as a guardian of the public trust," Vallee wrote.

Beyond the Vallee reference, Sorrell's email exchange provides an intriguing glimpse inside of Vermont's political ecosystem. The correspondence began with Lake Champlain Chamber of Commerce president Tom Torti scolding Sorrell for attending the press conference.

"I'm sure you have heard about the level of displeasure Mazza feels about you standing with Corren," Torti wrote, referring to Sen. Dick Mazza (D-Grand Isle). "Just wanted to pass on what was mentioned to me."

Mazza, a powerful figure in the Chittenden County political and business communities, is a staunch ally of Republican Lt. Gov. Phil Scott. At the time, Corren was campaigning for Scott's job.

"I went out and talked with [Mazza] beforehand, before I committed to doing it," Sorrell replied. "He said 'you have to do what you have to do.' I left on good terms. He's hosting a fundraiser for me. He called me a couple of hours later, suggesting I just give a quote for [the Corren campaign's press] release. But in the interim, I'd committed to participate."

Sorrell concluded: "I didn't endorse Corren. I care about the issue, not to mention the \$4k a whole seller gave a prior opponent..."

12/9/2018

Did Sorrell Take Official Action to Punish Opponent's Donor? | Off Message

Torti replied, "Just being the messenger ..."

Sorrell turned the email and five others over to the state's attorneys investigating him. Though the information was considered privileged, Sorrell voluntarily provided some of the documentation to *Seven Days*, upon request.

Here is the email in full, with addresses redacted:

From: William Sorrell
Date: September 16, 2014 at 4:01:13 PM EDT
To: Tom Torti
Subject: Re: Gas, Corren, Mazza

Yup

Sent from my iPhone

On Sep 16, 2014, at 11:08 AM, Tom Torti wrote:

Just being the messenger....

From: William Sorrell
Sent: Tuesday, September 16, 2014 10:28 AM
To: Tom Torti
Subject: Re: Gas, Corren, Mazza

I went out and talked with him beforehand, before I committed to doing it. He said "you have to do what you have to do." I left on good terms. He's hosting a fundraiser for me. He called me a couple of hours later, suggesting I just give a quote for their release. But in the interim, I'd committed to participate.

I didn't endorse Corren. I care about the issue, not to mention the \$4k a whole seller gave a prior opponent...

Sent from my iPhone

On Sep 16, 2014, at 7:15 AM, Tom Torti wrote:

I'm sure you have heard about the level of displeasure Mazza feels about you standing with Corren. Just wanted to pass on what was mentioned to me.

T

Tags: Bill Sorrell, Skip Vallee, Brady Toensing,
Image

Exhibit T

JOSHUA L. SIMONDS, ESQ

Admitted in Vermont and Massachusetts

THE BURLINGTON LAW

PRACTICE, PLLC

jls@burlingtonlawpractice.com

November 26, 2014

The Honorable Bernard Sanders
United States Senator
1 Church Street, 3rd Floor
Burlington, VT 05401

Re: Fuel Pricing in Chittenden County

Dear Senator Sanders:

I am in the process of investigating and researching remedies which may be available to Chittenden County motorists stemming out of what appear to be unconscionable and unjustifiable fuel pricing practices.

I know that this has been one of your outspoken local concerns. First, I am grateful for your advocacy on this subject. Second, I would like to lend my own advocacy and am hopeful that you may have materials to expand my investigation.

Cordially,



Joshua L. Simonds

JLS

2 CHURCH STREET, SUITE 200, BURLINGTON, VERMONT 05401

PHONE: (802) 651-5370 FACSIMILE: (802) 651-5374

Exhibit U

From: McLean, Daniel (Sanders) <Daniel_McLean@sanders.senate.gov>
To: 'jls@burlingtonlawpractice.com'
Sent: 12/22/2014 7:02:32 PM
Subject: Quick call

Josh: Can you give me a quick call. I have something that may interest you re: Vermont gas prices. Dan

From: McLean, Daniel (Sanders)
Sent: Friday, December 19, 2014 5:20 PM
To: 'jls@burlingtonlawpractice.com'
Subject: Meeting

Joshua: Nice to speak with you earlier today. Can you find some time on either Wed., Jan. 7 or Thurs., Jan. 8 to come to our office to meet about the Vermont gas pricing issue. I will pull together some material for you.

Daniel McLean
Senior Press Advisor
Office of U.S. Senator Bernie Sanders

daniel_mclean@sanders.senate.gov
(802) 862-0697 office phone

Visit Senator Sanders' Online Resources:
[Website](#) | [Facebook](#) | [Twitter](#) | [You Tube](#) | [Bernie Buzz](#)

From: Joshua Simonds <jls@burlingtonlawpractice.com>
To: McLean, Daniel (Sanders)
CC: Laura Bierley; Fiermonte, Philip (Sanders)
Sent: 1/7/2015 9:39:29 PM
Subject: RE: Meeting

Dan:

Providing Laura Bierley is free let's set it for 10:30 a.m. 1/15 at your office.

Laura please confirm availability.

Hopefully seeing you then.

Josh

Joshua L. Simonds, Esq.

The Burlington Law Practice, PLLC

2 Church Street, Suite 2G

Burlington, VT 05401

802.651-5370 phone

802.651-5374 fax

From: McLean, Daniel (Sanders) [mailto:Daniel_McLean@sanders.senate.gov]
Sent: Wednesday, January 07, 2015 4:25 PM
To: 'Joshua Simonds'
Cc: Laura Bierley; Fiermonte, Philip (Sanders)
Subject: RE: Meeting

Josh: Sounds good. Can we pencil Thursday, Jan. 15 in for a meeting at our office? If we have to adjust that we can. We are at 1 Church Street, 3rd floor .. Dan

From: Joshua Simonds [mailto:jls@burlingtonlawpractice.com]
Sent: Wednesday, January 07, 2015 4:28 PM
To: McLean, Daniel (Sanders)
Cc: Laura Bierley
Subject: RE: Meeting

Dan:

I have to apologize but I am getting ready for a trial next week and have to push this into next Thursday or Friday at the earliest.

Driving to Bennington several times over the last two weeks and routinely enjoying \$.30 or better savings!

Josh

Joshua L. Simonds, Esq.

The Burlington Law Practice, PLLC

2 Church Street, Suite 2G

Burlington, VT 05401

802.651-5370 phone
802.651-5374 fax

From: McLean, Daniel (Sanders) [mailto:Daniel.McLean@sanders.senate.gov]
Sent: Tuesday, January 08, 2015 12:03 PM
To: 'ls@burlingtonlawpractice.com'
Subject: Meeting

Josh: When would you be free this week to meet briefly about gas prices. I am happy to share with you the data that we have. Happy New Year. ... Dan

Daniel McLean
Senior Press Advisor
Office of U.S. Senator Bernie Sanders

daniel.mclean@sanders.senate.gov
(802) 862-0697 office phone
[REDACTED] cell phone

Visit Senator Sanders' Online Resources:
[Website](#) | [Facebook](#) | [Twitter](#) | [YouTube](#) | [Bernie Buzz](#)

Exhibit V

From: Daniel McLean <[REDACTED]@gmail.com>
To: Michael L. Murphy
Sent: 3/10/2015 8:20:38 PM
Subject: RE: Data

I will ask if the reporter if it can be sent to me. The case number is below, though. Maybe someone can pull the file remotely.

On Mar 10, 2015 3:39 PM, "Michael L. Murphy" <MMurphy@baileyglasser.com> wrote:

It would be great to get the file if possible.

From: Daniel McLean [mailto:[REDACTED]@gmail.com]
Sent: Tuesday, March 10, 2015 12:48 PM
To: Ora N. Nwabueze; Michael L. Murphy
Subject: Re: Data

Mike and Ora: A friendly reporter in Franklin Co., one of the three counties that comprise northwestern Vermont, sent this along to me. I thought it might be of interest. ... Dan

>>

I was cleaning out old files today and I stumbled across R. L. Vallee's appeal of the Jolley Associates permit for their project at Exit 19 (off Interstate 89). I know you were interested in Vallee's other attempts to use Act 250 to limit competition. I didn't find the decision, although I may have that in another file, just the appeal, which asks if the project violates Act 250 criteria 5 and 9k, and the original permit.

The case number with environmental court was 216-12-10.

The land use permit for the project was number 6F0243-9.

>>

On Fri, Feb 27, 2015 at 4:56 PM, Daniel McLean <[REDACTED]@gmail.com> wrote:

Mike and Ora: I sent you a spreadsheet via dropbox, but also decided to just attach it to this email. This is 2014 ownership data of gas stations from the Vt. Dept. of Agriculture Consumer Protection Division.

The first tab, "tallies", shows you how many stations each major wholesaler owns in northwestern Vermont.

Combined, RL Vallee, Champlain Valley Oil Co., and SB Collins, own 102 gas stations in Chittenden, Grand Isle and Franklin Co.

Other explanations of the file: the tab "export" is the raw data from the state; it is organized by owner of any place that sells fuel.

I then sorted by county to create the data that you see in "tallies"

By my count, after subtracting campgrounds and marinas, there are 178 total gas stations in those three northwestern Vermont counties.

That means those three wholesalers own 57.3 percent of the market.

When I looked at this in 2012, I had found those three wholesalers had a 54 percent combined ownership of filling stations in NW Vermont.

[Note: Keep in mind, this is only an analysis of the stations they own, not including all the filling stations they distribute to.]

In terms of consolidation, I found SB Collins increased from 21 to 23 stations in Franklin Co. (I believe they acquired a company called Clarence Brown)

I also found that the total number of gas stations in these three northwestern counties appears to have fallen from 185 to 178. I would have to go back to the 2012 data set to confirm that. It is possible that some campgrounds or marinas snuck in to the 2012 count and were counted as gas stations. If the numbers of gas stations are falling, though, that raises some questions.

Re: Plainfield, Vermont

This data does not show RLValle's acquisitions in Plainfield, Vermont. That should be on the next data set, which I believe is available in June 2015. The only listing from Plainfield is:

000FYG Tims Convenience Bottle Redemption 8132 US Route 2 Plainfield VT

I am happy to go over this with you by phone to walk you through how I took the state data, "export", and converted it the ownership by county. Have a good weekend... Dan

--
Daniel McLean

[REDACTED] personal cell

[REDACTED]@gmail.com

--
Daniel McLean

[REDACTED] cell

[REDACTED]@gmail.com

Michael L. Murphy
Attorney

From: Daniel McLean <[REDACTED]@gmail.com>
To: Ora N. Nwabueze
Sent: 4/4/2015 3:20:00 AM
Subject: RE: Ben Brockwell

Yes. I will send Monday.

On Apr 3, 2015 3:27 PM, "Ora N. Nwabueze" <ONwabueze@baileyglasser.com> wrote:

Dan - Hope things are going well. Ben and team have been very responsive and helpful. It would be very informative to our price analysis to see what the FTC did in their 2012 study. Do you have a copy of or anything relating to it? Thank you, Ora

From: Daniel McLean [mailto:[REDACTED]@gmail.com]
Sent: Tuesday, March 17, 2015 5:27 PM
To: Michael L. Murphy; Ora N. Nwabueze
Subject: Fwd: Ben Brockwell

Mike, Ora: Good to speak with you today... Dan



Daniel McLean

[REDACTED] cell
[REDACTED]@gmail.com

Ora N. Nwabueze
Bailey & Glasser LLP

Confidential Outside Counsel Only

Redesignated 5/24/18

VT_FUEL0013848

Exhibit W

From: Daniel McLean <[REDACTED]@gmail.com>
 To: Ora N. Nwabueze; Michael L. Murphy
 Sent: 4/6/2015 8:15:58 PM
 Subject: Info
 Attachments: image002.png

Mike and Ora: Here is release that was issued in the summer of 2012 regarding the FTC's analysis of gas pricing in Burlington metro area, which if memory serves, is the same as the three country region of northwestern Vermont. .. Dan



Burlington Gas Prices Exceed FTC Projections

BURLINGTON, Vt., July 6, 2012 – Gasoline prices in Burlington in June were as much as a dime to 43 cents greater than a Federal Trade Commission computer model projected they should be, according to commission data turned over to U.S. Sen. Bernie Sanders (I-Vt.).

While Vermont motorists already pay among the country's highest prices to fill their tanks, the June price spike in Burlington exceeded what a computer model used by government economists said was the absolute highest price stations should be charging.

While prices have dipped by several cents after Sanders on Monday made public his call for a federal investigation into unusually high gas prices, the trade commission data detail a month-long trend of unusually high prices in Burlington.

The detailed data was turned over to Sanders after he called for a probe by the trade commission and the Oil and Gas Price Fraud Working at the U.S. Department of Justice.

Actual and Predicted Average Weekly Regular Gasoline Prices for Burlington, Vt.

Date	Actual	Predicted High	Predicted Low
5/5	\$3.99	\$4.06	\$3.78
5/12	\$3.97	\$3.99	\$3.66
5/19	\$3.90	\$3.92	\$3.60
5/26	\$3.86	\$3.86	\$3.52
6/2	\$3.84	\$3.82	\$3.50
6/8	\$3.81	\$3.77	\$3.45
6/16	\$3.79	\$3.71	\$3.38
6/23	\$3.75	\$3.65	\$3.32
6/30	\$3.68	\$3.58	\$3.25

As of the first weekend in June, Burlington prices averaged \$3.84 a gallon, about two cents more than the computer model's predicted high and 34 cents above the predicted low, according to the FTC data. By June 30, the average price in

Burlington was \$3.68 a gallon, a dime more than the predicted high of \$3.58 and

44 cents above the predicted low.

Burlington is one of 360 metropolitan areas around the nation where the FTC's Bureau of Economics tracks gas prices and compares them to a projection of what high and low prices should be. The monitoring project tracks wholesale and retail prices of gasoline "to identify possible anticompetitive activities and determine whether a law enforcement investigation would be warranted," according to the commission. The formula used by the monitoring project considers supply and demand, geography and other factors.

In Vermont today, the average price of a gallon of unleaded regular is \$3.53, the tenth highest in the lower 48 states, according to AAA. In the Burlington area, defined as Chittenden, Franklin and Grand Isle Counties, this morning, AAA said the average price was \$3.60. Prices were higher in downtown Burlington.

Sanders pointed to evidence that in recent days Burlington gas prices were 15 cents to 29 cents greater than prices charged by gas stations only about 35 miles away in other Vermont towns.

"Prices here in the Burlington area and other parts of Vermont are much higher than they should be," Sanders said. "So far, no one has given me a particularly good explanation." One factor may be that just four companies own 58 percent of the stations in the Burlington market.

"People who own service stations have a right to make a profit," Sanders said. "They don't have a right to rip people off," he added.

Contact: Michael Briggs (202) 224-5141

###

Daniel McLean

cell
@gmail.com

Exhibit X

From: Kriger, Ryan
Sent: Tuesday, June 23, 2015 3:19 PM
To: Morgan, Wendy
Subject: RE: Gas Price Gouging class action suit filed

Synopsis of the complaint:

- Alleges violations of VT Consumer Protection Act, and unjust enrichment, for agreeing to fix prices of wholesale and retail gas
- Specific behavior includes:
 - Expressly and through signaling behavior agreeing to fix prices (no specific examples)
 - Having numerous opportunities to meet to collude, including at Vermont Petroleum Association and Retail and Grocers Association meetings
 - Meeting secretly in out-of-the way locations to collude (no specifics given)
 - Controlling gas prices of "independent" retailers
 - Providing pretextual and deceptive explanations for higher prices at hearings and elsewhere
 - Using environmental regulations to block competition
- Seeks treble damages and injunctive relief
- Class Plaintiff is Jacob Kent of Fairfax, Defendants are R.L. Vallee, SB Collins, Wesco, Champlain Oil Co
- Attorneys are Bailey & Glasser out of Boston, DC, Illinois; Local Counsel is Joshua Simonds of The Burlington Law Practice

Ryan G. Kriger
Assistant Attorney General
Vermont Office of the Attorney General
Public Protection Division
109 State Street
Montpelier, VT 05609-1001
ph: (802) 828-3170
ryan.kriger@state.vt.us

From: Morgan, Wendy
Sent: Monday, June 22, 2015 5:15 PM
To: Young, Susanne
Cc: Kriger, Ryan
Subject: RE: Gas Price Gouging class action suit filed

Ryan will send you a brief synopsis of the complaint tomorrow.

From: Kriger, Ryan
Sent: Monday, June 22, 2015 5:01 PM
To: Young, Susanne
Cc: Morgan, Wendy
Subject: FW: Gas Price Gouging class action suit filed

Susanne,

You should be aware of the class action lawsuit filed regarding gasoline price fixing in Vermont. The link is below. AG Sorrell might receive questions about it.

-Ryan

Ryan G. Kriger
Assistant Attorney General
Vermont Office of the Attorney General
Public Protection Division
109 State Street
Montpelier, VT 05609-1001
ph: (802) 828-3170
ryan.kriger@state.vt.us

From: Ryan Kriger [[mailto:\[REDACTED\]@gmail.com](mailto:[REDACTED]@gmail.com)]
Sent: Monday, June 22, 2015 2:40 PM
To: Kriger, Ryan
Subject: Fwd: Gas Price Gouging class action suit filed

----- Forwarded message -----

From: Christopher Pearson <CPearson@leg.state.vt.us>
Date: Mon, Jun 22, 2015 at 2:36 PM
Subject: Gas Price Gouging class action suit filed
To: Maria Royle <MROYLE@leg.state.vt.us>, Shap Smith <SSmith@leg.state.vt.us>, Ryan Kriger <[\[REDACTED\]@gmail.com](mailto:[REDACTED]@gmail.com)>, Jean O'Sullivan <[\[REDACTED\]@gmail.com](mailto:[REDACTED]@gmail.com)>, Bill Botzow <BBotzow@leg.state.vt.us>, Robert Starr <RStarr@leg.state.vt.us>, Patrick Brennan <PBrennan@leg.state.vt.us>, Stephen Carr <SCarr@leg.state.vt.us>, Wendy Morgan <wendy.morgan@state.vt.us>

Colleagues,

Over the past few years you have all played a part in the discussion we have generated on high gas prices in Northwestern Vermont. You may be interested to see this lawsuit was filed today. <http://baileyandglasser.com/vermont-gasoline-companies-have-been-gouging-customers-for-years/>

Hope you're enjoying the summer break,

Chris

Christopher Pearson
State Representative
House Health Care Committee
802-860-3933

https://twitter.com/search?l=&q=from%3ASenatorCP%20since%3A2015-01-01%20until%3A... Twitter, Inc. [US] from:SenatorCP since:2015-... X

Micr... Sugg... Hein... Bloo... Lexi... Lexi... Chec... Law... Goog... Verm... Verm... Web...

Home Moments Notifications Messages from:SenatorCP si

from:SenatorCP since:2015-01-01 until:2015-12-31

Top Latest People Photos Videos News Broadcasts

Christopher Pearson @SenatorCP 26 Jun 2015
 @UVMHedCenter spent \$9 million updating it's name but hassle the nurses over contract disputes. Not cool folks. #vtpoli #solidarity

Christopher Pearson @SenatorCP 22 Jun 2015
 Every Vermonter is #FeelingtheBern these days, except Skip Valley. He's feeling a different kind of heal. ow.ly/ODMYz #vtpoli

Vermont Gasoline Companies Have Been Gouging...
 For years, motorists in northwest Vermont have noticed that gasoline is far more expensive in their part of the state than it is in the rest of the state and nation. A cl...

Christopher Pearson @SenatorCP 22 Jun 2015
 Yes! RT @baileyglasser: Vermont gasoline companies have been gouging customers for years. #classaction tinyurl.com/VTFuelLawsuit #vtpoli

Exhibit Y

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF VERMONT

Nov 28 10 07 AM '00

GHASSAN J. MAARAWI,

Plaintiff

v.

UNITED STATES CONGRESS,

Defendant.

Civil No. 2:00-CV-319

UNITED STATES' MOTION TO DISMISS

Upon the accompanying memorandum of law, the United States of America, by its attorney, Charles R. Tetzlaff, United States Attorney for the District of Vermont, hereby moves to dismiss the claims alleged against the federal defendant pursuant to Rule 12(b) of the Federal Rules of Civil Procedure for lack of subject matter jurisdiction, insufficiency of service of process and failure to state a claim upon which relief may be granted.

Dated at Burlington, in the District of Vermont, this 20th day of November, 2000.

Respectfully submitted,

UNITED STATES OF AMERICA

CHARLES R. TETZLAFF
United States Attorney

By:

Melissa A.D. Ranaldo
MELISSA A.D. RANALDO
Assistant U.S. Attorney
P.O. Box 570
Burlington VT 05402-0570
(802) 951-6725
Fed. Bar No. 000297813

GRANTED, as unopposed. THIS CASE IS CLOSED. Dated at Burlington, in the District of Vermont, this 14 day of December, 2000.
William K. Sessions III
William K. Sessions III
U.S. District Judge